

**Town of Loomis
Mitigation Fee Analysis
Final Report**

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Town of Loomis**

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**TOWN OF LOOMIS
MITIGATION FEE REPORT
EXECUTIVE SUMMARY**

This report provides the analysis for the Town of Loomis to consider revisions to the fees paid by new development to mitigate the impacts of those developments on public infrastructure and levels of service.

The Town of Loomis General Plan establishes the framework for financing improvements required to serve new development. The General Plan states that "new development shall be required to contribute toward the maintenance of existing levels of public services and facilities, through fees, dedications, or other appropriate means."

The Town currently imposes fees on new residential, commercial and industrial development. The existing fees were approved in 1999 and have not been subsequently amended. This Mitigation Fee Report updates the 1999 fees and recommends modifications to the Town's mitigation fee program.

The report has been developed to ensure compliance with the State's enabling legislation for mitigation fees and land dedications. The primary statutes are known as the Mitigation Fee Act and the Quimby Act.

The Mitigation Fee Act:

The authority for establishing mitigation fees for residential and non-residential development is found in the Mitigation Fee Act. Under this Act, a local agency considering an action establishing, increasing, or imposing a fee as a condition of approval of a development project must make five findings in enacting and imposing mitigation fees on new development. These findings are described in Chapter 1.

This report provides the analysis and the basis for the Town's consideration of the five findings required by the Mitigation Fee Act.

The Quimby Act:

Park land dedication requirements for major residential subdivisions (five or more parcels) are subject to the Quimby Act. The Quimby Act permits an agency to require the dedication of a minimum of three acres of land for each one thousand future residents. If the agency can demonstrate that five acres of park land currently exist, the agency can require the dedication of five acres of land per one thousand residents. The Quimby Act allows an agency to establish a fee in-lieu of the land dedication requirement. This report verifies the existing park land ratio as exceeding five acres per one thousand residents, and calculates the Quimby Act in-lieu fee.

Organization of the report:

Each chapter of the report is designed as a separate analysis for a particular fee. The chapters identify the cost of the public infrastructure required to maintain existing levels of service and to mitigate the impacts of new development. The public infrastructure projects are drawn from the Town's General Plan, Capital Improvement Budget and other Town studies and reports. Infrastructure costs are based on original estimates, updated to 2004 construction and land costs. The chapters provide the analysis required to allocate the cost of the future projects among new single family, multifamily, commercial and industrial developments.

The Town will incur annual costs in administering the mitigation fee program and in implementing the infrastructure projects required to serve new development. A three percent administrative fee is included in each mitigation fee, to defray the cost of administering the program and to maintain compliance with applicable laws. The basis for the administrative fee is found in Appendix A.

The report also includes a benchmark study of mitigation fees charged by other agencies. Appendix B includes similar fees charged by the cities of Roseville, Rocklin, Lincoln and Auburn, and Placer County.

Summary of proposed modifications to the mitigation fee program:

At present, the Town of Loomis mitigation fee program consists of seven mitigation fees. Based on input from Town staff, the mitigation fee program is proposed to be modified in certain respects. Table ES-1 summarizes the proposed modifications. (Fees that do not apply throughout the Town, such as the Specific Plan/Master Plan fee, are not included in the report or in the following table.)

Table ES-1: Mitigation fee program changes

Fee program	Summary of proposed changes
Road circulation/major roads (existing fee)	<ul style="list-style-type: none"> ▪ Updates projects, costs and methodology ▪ Includes former King/Taylor costs and fees ▪ Removes Sierra College Boulevard improvements ▪ Uses Loomis percentage of future development as the basis for costs assigned to the fee program
Horseshoe Bar Road/Interstate 80 interchange (existing fee)	<ul style="list-style-type: none"> ▪ Updates projects, costs and methodology ▪ Uses Loomis percentage of future development as the basis for costs assigned to the fee program
Sierra College Boulevard (replacement fee, segregating components of existing Road circulation/major roads fee)	<ul style="list-style-type: none"> ▪ Updates projects, costs and methodology ▪ Segregates Sierra College improvements and fee from other improvements and fees ▪ Uses Loomis percentage of future development as the basis for costs assigned to the fee program
King/Taylor circulation (existing fee)	<ul style="list-style-type: none"> ▪ Eliminated, and included in road circulation fee
Drainage improvements (existing fee)	<ul style="list-style-type: none"> ▪ Updates projects, costs and methodology
Community facilities (existing fee)	<ul style="list-style-type: none"> ▪ Updates projects, costs and methodology
Parks and recreation (existing fee)	<ul style="list-style-type: none"> ▪ Eliminated, and replaced by three separate fees
Park land dedication and in-lieu fee (replacement fee)	<ul style="list-style-type: none"> ▪ Replaces park and recreation fee ▪ Updates costs and methodology ▪ Active park land dedication and in-lieu fee only
Passive park land/open space land acquisition (new fee)	<ul style="list-style-type: none"> ▪ Passive park and open space land acquisition fee only
Park facility improvements (replacement fee)	<ul style="list-style-type: none"> ▪ Replaces park and recreation fee ▪ Updates costs and methodology ▪ Improvements to park land and open space
Low income density bonus (existing fee)	<ul style="list-style-type: none"> ▪ No change

(Source: Sinclair & Associates)

Fees charged by other agencies:

Other agencies also impose mitigation fees, including the Placer County Capital Facility Fee, the Dry Creek Watershed Drainage Improvement Fee, special district fees, school district fees and fire district fees. These fees are not addressed in this report. As well, typical "connection" fees for sewer, water and other utilities are not addressed in this report.

Existing and updated fees:

The updated fees and new fees represent an increase in the Town's mitigation fee program, if adopted as presented in this report. There are several reasons for the increase:

- Project costs have been updated to reflect current construction costs.
- Projects have been added to the mitigation fee program, to maintain existing levels of service.
- The updated project costs are spread among new developments expected between 2005 and 2020. The 1999 fee program spread costs among all development through theoretical "build-out", which is a greater number of development projects.
- A new "open space acquisition fee" has been added to the Town's mitigation fee program.
- A separate park facility improvement fee has been added to the Town's mitigation fee program.

Table ES-2 provides a comparison of the existing and the updated fees for a single family residence. Multifamily, commercial and industrial fees are not included in Table ES-2, but are updated proportionately.

Table ES-2: Existing and updated single family residential fee

Fee program	Existing fees	Updated fees
Road circulation/Major roads fee	\$1,773	\$ 2,230
Horseshoe Bar Road/Interstate 80 fee	\$ 821	\$ 1,283
Sierra College Boulevard fee		\$ 691
King/Taylor circulation fee	\$ 145	Included in Road circulation fee
Drainage fee	\$ 316	\$ 519
Community facility fee	\$1,316	\$ 2,256
Parks and recreation fee	\$1,210	Replaced by three separate fees
Park land dedication and in-lieu fee		\$ 1,575
Passive park land/open space fee		\$ 958
Park facility improvements fee		\$ 2,730
Low income density bonus fee	\$ 750	\$ 750
Total	\$6,331	\$12,992

(Source: Sinclair & Associates)

Annual fee adjustment:

The report recommends that the Town Council adopt a provision in its fee resolution implementing an annual fee adjustment, based on the change in specific indices that reflect increasing or decreasing costs of the projects identified in the mitigation fee program. The report recommends annual adjustments to land values based on the change in sales prices of raw land in Loomis, and adjustments to construction costs based on the Engineering News Record Construction Cost Index. Adoption of an annual adjustment will assist in maintaining fees at a level sufficient to implement the projects embodied in the mitigation fee program.

The report also recommends that the fee program be reviewed on a comprehensive basis every five years.

**CHAPTER 1
INTRODUCTION
THE MITIGATION FEE ACT
THE QUIMBY ACT**

The report has been prepared to ensure compliance with the State's enabling legislation for mitigation fees and land dedications. The primary statutes are known as the Mitigation Fee Act and the Quimby Act.

The Mitigation Fee Act:

The authority for establishing mitigation fees for residential and non-residential developments is found in the Mitigation Fee Act, also known as AB 1600, as codified in the California Government Code beginning with Section 66000. Under the Mitigation Fee Act, a local agency considering an action establishing, increasing, or imposing a fee as a condition of approval of a development project must do all of the following:

1. Identify the purpose of the fee.
2. Identify the use to which the fee is to be put.
3. Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.
4. Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.
5. Determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

This report provides the analysis required by the Mitigation Fee Act. Each individual chapter includes a section addressing the requirements of the Mitigation Fee Act and provides the basis for the five findings required to adopt and implement the fee referenced in that chapter.

The Quimby Act:

Park land dedication requirements for major residential subdivisions (five or more parcels) are subject to the Quimby Act, as codified in the California Government Code beginning with Section 66477. The Quimby Act permits an agency to require the dedication of a minimum of three acres of land per one thousand residents, or the payment of an in-lieu fee. If the amount of existing park land exceeds a ratio of three acres per one thousand residents, the agency may require the dedication of up to five acres of land per thousand future residents. In the event that a proposed residential subdivision is less than fifty parcels, the agency can only require the payment of an in-lieu fee (and not the dedication of land). This report verifies that the existing park land ratio exceeds five acres per thousand residents, and calculates the Quimby Act in-lieu fee.

The Quimby Act requirements apply only to the Park Dedication and In-Lieu Fee discussed in Chapter 7.

CHAPTER 2 ROAD CIRCULATION / MAJOR ROADS MITIGATION FEE

SECTION I. INTRODUCTION AND PURPOSE

The Town of Loomis General Plan establishes policies and goals requiring new developments to maintain Town service levels by paying for their proportionate share of transportation system improvements. The General Plan articulates these goals by establishing the following policies:

1. In order to minimize congestion, maintain Level of Service C on all roads and intersections within the Town of Loomis. Level of Service D may be allowed in conjunction with development approved within the Town as an exception to this standard, at the intersections of King and Taylor, Horseshoe Bar Road and Taylor, Horseshoe Bar and I-80, Sierra College and Brace Road and Webb and Taylor when the deficiency is substantially caused by through traffic which neither begins nor ends in Loomis.
2. The Town shall assess fees on new development to cover the fair share portion of the development's cumulative impacts on the local and regional transportation system.
3. New residential development shall be required to bear the full financial burden for new public service capital improvements required to serve the residents of the development, through impact fees, environmental mitigation fees, and other appropriate means
4. New development shall be required to contribute toward the maintenance of existing levels of public services and facilities – through fees, dedications, or other appropriate means.

The General Plan identifies transportation system improvements intended to address future traffic congestion. In addition, a focused study was conducted to address parking and circulation conditions along Taylor Road and a portion of Horseshoe Bar Road, which provided recommendations to implement the Town's circulation system goals (Fehr and Peers Associates – Downtown Loomis Parking and Circulation Study, December, 1997).

The Town of Loomis intends to pursue methods to implement the goals of the General Plan and the Downtown Loomis Parking and Circulation Study, and in particular, to establish financing mechanisms to implement the goals. This report is provided to assist the Town in implementing those goals by identifying the cost of future transportation facilities and calculating a mitigation fee to finance that portion of the transportation facilities attributable to new development projects in Loomis.

SECTION II. CURRENT FEES

In 1999, the Town of Loomis approved a Capital Improvement Program and Financing Plan (1997-2010) prepared by Administrative Budget Counseling. That report identified certain transportation facilities necessary to maintain Town service levels. The Town Council adopted a fee resolution in 1999, implementing the recommendations of that report. The resolution enacted a Road Circulation/Major Roads mitigation fee of \$1,772.65 for single family residential units, \$1,102.49 for multi-family residential units, \$1.71 per square foot for commercial developments and \$2.29 per square foot for industrial developments. The fees have not been subsequently adjusted.

The Town also established a fee in the "King Road Traffic Mitigation Area" to fund improvements to the King/Taylor intersection and area. The King/Taylor fees are \$145 per dwelling unit, \$2,178 per acre for commercial developments and \$726 per acre for industrial developments. The fees have not been subsequently adjusted. This report serves as the basis to integrate the existing King/Taylor fee with the Road Circulation/Major Roads fee, and to eliminate the King/Taylor fee as a separate fee.

The Town of Loomis has also enacted a Horseshoe Bar/Interstate 80 Interchange fee. Revisions to that fee program are the subject of a separate chapter in this report.

Improvements to segments on Sierra College Boulevard in the Town of Loomis were formerly included in the Road Circulation/Major Roads fee program. This report recommends separating Sierra College Boulevard improvements from the Road Circulation/Major Roads fee, and creating a separate fee program for Sierra College Boulevard improvements. This fee is the subject of a separate chapter.

There are several regional and sub-regional fee programs either in place or under discussion among Placer County jurisdictions. The Town of Loomis does not currently impose mitigation fees for the transportation improvement projects contemplated in these programs. A 2001 "Placer County Regional Traffic Congestion and Air Quality Mitigation Fee Program Final Report" conducted by the Placer County Transportation Planning Agency notes that participation in a south Placer County impact fee program would result in a single family residential fee of \$1,229 to fund five regional transportation projects (Placer Parkway, Lincoln Bypass, Sierra College Boulevard, I-80/Douglas Boulevard Interchange and transit projects). This fee has been adjusted by construction indices since 2001.

SECTION III. ROAD CIRCULATION/MAJOR ROAD IMPROVEMENTS

The General Plan, the Downtown Loomis Parking and Circulation Study and the Town's Capital Improvement Budget identify transportation projects necessary to meet future requirements. The Town has also identified additional projects to improve circulation and these additional projects are included in this report and will be included in the Town's capital improvement program. The Town has begun to address the need for transportation facilities by constructing new and repairing existing transportation facilities. However, there are projects remaining to be funded and constructed. Table 2-1 is a list of future projects qualifying for funding, in part, by the mitigation fee program.

Project costs were initially drawn from the Town's General Plan, Capital Improvement Budget and other sources. The General Plan cost estimates are updated based on the 14.2% change in the Engineering News Record Construction Cost Index (ENR-CCI) since the original General Plan estimates were made in July 2001. (The ENR-CCI index is commonly used for updating public works project cost estimates.) The King/Taylor cost estimates are updated based on the 30.2% change in the ENR-CCI since the original estimates were made in July 1996. The projects that were initiated solely from the Town's Capital Improvement Budget were last estimated in July 2004 and those cost estimates are used for purposes of this analysis.

Adjustments to project costs (existing deficiencies and development outside of Loomis):

The Highway Capacity Manual defines a level of service ("LOS") as "a quantitative measure describing operational conditions within a traffic stream and their perception by motorists and/or

passengers." Levels of service are quantified by a volume-to-capacity ratio. Levels of service are designated by the letters "A" to "F", with LOS "A" being the best condition.

The General Plan identifies LOS C as the acceptable standard for traffic conditions. Roadways operating at less than LOS C would be considered to have an existing deficiency. Improvements designed to correct existing deficiencies cannot be funded by a mitigation fee program.

The King/Taylor intersection is the only location that currently operates below LOS C, according to the General Plan. The most recent traffic study identified an existing average daily traffic volume of 4,000 trips on King Road, and a projected volume of 9,800 by 2020 (Fehr & Peers Associates, 2005). Based on the Fehr & Peers data, future traffic will account for 59.2% of the volume by 2020. Accordingly, 59.2% of the intersection improvement cost can be assigned to the mitigation fee program. Table 2-1 reflects this proportionate amount (and as further adjusted for future non-Loomis trips, as described below). The portion of the improvements at the King/Taylor intersection not assigned to the fee program must be funded by other sources, such as grants, general fund contributions, or other sources.

The Doc Barnes extension will provide interior access through a private parcel (benefiting the private property owners) as well as serving area wide traffic circulation purposes. The Town estimates that 25% of the \$2,284,000 cost of the extension should be assigned to the mitigation fee program to mitigate future area wide traffic congestion, and 75% of the cost should be borne directly by the abutting property owners. Accordingly, 25% of the estimated cost is assigned to future development (also as further adjusted for future non-Loomis trips, as described below).

All other project improvement costs are attributable to future development that will cause additional vehicular trips and deterioration in the current Levels of Service. However, some of the impacts will be created by development in Loomis, and some will be created by development outside of Loomis. The portion of the impact generated by development outside of Loomis should not be borne by Loomis development. The Town engaged Fehr & Peers Transportation Consultants to prepare a study of future (year 2020) Loomis trips versus non-Loomis trips. In March and April 2005, Fehr & Peers modeled the percentage of future trips on twenty-five road segments in Loomis. The percentage of trips generated by future non-Loomis development ranges from 43% to 98%, as compared to trips that will be generated by future development inside of Loomis, depending upon the location of the road segment. The applicable segment percentage is applied to each future transportation project to determine the portion of the cost that should be deducted from the Loomis Major Roads/Circulation fee program.

This approach assigns the proportionate cost of improvements to future Loomis developments, and creates a fee to fund that portion of the improvement costs. It also assigns the proportionate cost of improvements to future non-Loomis developments. However, the Town of Loomis cannot directly impose the fee on development outside of Loomis. Funding for improvements associated with development outside of Loomis is not in place at this time. Absent a program for funding from other sources, the Loomis road improvements will be under-funded.

Road Circulation/Major Road improvement costs:

Table 2-1 identifies the current cost of the transportation improvements, adjusted by the ENR-CCI. The total amount assigned to the mitigation fee program is \$6,162,409.

The Town of Loomis will also incur certain costs in administering the Mitigation Fee Act, as well as implementing transportation facility improvements. The Town estimates that this cost will be approximately three percent of the improvement costs (Appendix A). This administrative cost is added to the total improvement costs in Table 2-1.

The Town has already collected \$459,530 from developments to support these projects. This amount is subtracted from the total project cost to determine the amount applicable to future Loomis development in Table 2-1.

The total amount attributable to future Loomis development is \$5,887,751.

Table 2-1: Road Circulation/Major Roads improvement costs

#	Project	Total project cost	Not assignable to fee program	Non-Loomis future trips	Attributable to non-Loomis future trips	Mitigation fee program cost
2-1	I-80/King Road freeway access PSR	\$ 250,000		72%	\$ (180,000)	\$ 70,000
2-2	Taylor Road widening (Del Oro HS to north Town limit)	400,000		69%	(276,000)	124,000
2-3	King Road/Swetzler Road signalization	225,000		72%	(162,000)	63,000
2-4	Taylor Road/Del Oro HS signalization	225,000		69%	(155,250)	69,750
2-5	Horseshoe Bar Road "T" signalization	171,300		47%	(80,511)	90,789
2-6	Rocklin Road/Barton Road signalization	171,300		62%	(106,206)	65,094
2-7	Bankhead Road lane width & shoulders (King to Sierra College)	685,200		57%	(390,564)	294,636
2-8	Brace Road lane width & shoulders (Sierra College to Horseshoe Bar)	1,142,000		70%	(799,400)	342,600
2-9	Horseshoe Bar Road lane width & shoulders (Brace to Town limit)	685,200		62%	(424,824)	260,376
2-10	Barton Road lane width & shoulders (Brace to Town limit)	2,398,200		50%	(1,199,100)	1,199,100
2-11	Horseshoe Bar Road turn lanes (Walnut to Taylor)	114,200		47%	(53,674)	60,526
2-12	Horseshoe Bar Road widening (Walnut to south edge of commercial)	1,484,600		47%	(697,762)	786,838
2-13	Rocklin Road widening (Sierra College to Barton)	1,370,400		86%	(1,178,544)	191,856
2-14	Downtown improvements (General Plan figure 4-5; includes land acquisition for downtown parking)	3,340,800		61.5%	(2,054,592)	1,286,208
2-15	Doc Barnes Road (1)	2,284,000	\$(1,713,000)	66%	(376,860)	194,140
2-16	King Road improvements (2)	91,140	(37,185)	72%	(38,848)	15,107
2-17	School Roads: King Road – Sierra College to Taylor, Taylor Road – King to Del Oro	1,837,273		43%	(788,884)	1,048,389
	Sub-total	\$16,875,613	\$(1,750,185)		\$(8,963,019)	\$6,162,409
	Administrative cost (3%)					184,872
	Fees previously collected					(459,530)
	Total assignable to future Loomis development					\$5,887,751

(Source: Town of Loomis General Plan; Town of Loomis Capital Improvement Budget; Town staff; Fehr & Peers; Sinclair & Associates)

(1) Doc Barnes Road – 25% of the project cost is assigned to the fee program; 75% of the cost is assumed to be funded by the adjacent property owners.

(2) King Road improvements – this intersection currently operates at LOS D; 59% is assignable to the fee program; 41% is assumed to be funded by other sources.

SECTION IV. FEE CALCULATION**Calculation of "dwelling unit equivalents":**

The impacts of new development on transportation systems are typically measured by the number of P.M. trips generated by each type of land use. All land uses are then compared to the impact of one single family residential unit, by calculating a "dwelling unit equivalent," or DUE. For example, a land use with a dwelling unit equivalent of .5 would generate one-half of the impact of a single family residence, and would be subject to one-half of the impact fee collected from a single family residence.

Transportation fee programs use generally accepted parameters that identify the traffic impacts of each type of land use. This study uses the trip rates published by the Institute of Transportation Engineer's Trip Generation Manual (6th edition), and the trip lengths and percentage of new trips published in the ITE Journal, May 1992. These factors are consistent with those used by the Placer County Transportation Planning Agency. There are many ITE sub-categories for industrial, office and retail land uses, each with different trip generation characteristics and DUE's. For purposes of this study, the "light industrial" sub-category has been selected to represent the Loomis industrial land uses, and the small shopping center sub-category has been selected to represent Loomis commercial land uses.

Loomis has four basic land uses designated in the General Plan. The land uses and the dwelling unit equivalents are identified in Table 2-2.

Table 2-2: Dwelling unit equivalents

Land use category	Dwelling unit equivalent
Single family residential	1.00
Multi-family residential (per unit)	.61
Commercial (per 1,000 square feet)	1.32
Industrial (per 1,000 square feet)	.91

(Source: ITE Trip Generation Manual)

The Loomis General Plan and the General Plan Final Environmental Impact Report identify the amount of additional development expected to occur within the planning period (2020). Table 2-3 provides the number of single family and multi-family units expected to be built, and the square footage of commercial and industrial space to be constructed. The General Plan figures have been updated to reflect building permits issued since 2001.

Table 2-3: Future residential, commercial and industrial development

Land use category:	Additional development by 2020
Single family residential	1,000 dwelling units
Multi-family residential	573 dwelling units
Commercial	446,300 square feet
Industrial	771,500 square feet

(Source: Town of Loomis General Plan Final Environmental Impact Report; Town of Loomis Planning Department; Sinclair & Associates)

To determine the total dwelling unit equivalents, the future development units are multiplied by the dwelling unit equivalents for each land use in Table 2-4. Commercial and industrial land uses are characterized "per one-thousand square feet."

Table 2-4: Future Dwelling Unit Equivalents

Land use category	Unit	Developable units	DUE per unit	Total DUE
Single family residential	Dwelling unit	1,000	1.00	1,000.0
Multi-family residential	Dwelling unit	573	.61	349.5
Commercial	1,000 SF	446.3	1.32	589.1
Industrial	1,000 SF	771.5	.91	702.1
Total				2,640.7

Source: Town of Loomis General Plan Final Environmental Impact Report; Town of Loomis Planning Department; Sinclair & Associates

Calculation of the fee:

The transportation project improvement costs assignable to future development are \$5,887,751 (Table 2-1). The number of future dwelling unit equivalents is 2,640.7 (Table 2-4). Dividing the improvement cost by the number of dwelling unit equivalents results in an assignable cost of \$2,230 per dwelling unit equivalent.

The cost per dwelling unit equivalent is distributed to each land use in Table 2-5, based on the dwelling unit equivalent per unit for each land use.

Table 2-5: Road Circulation/Major Roads fee per future unit

Land use category	Unit	Cost per DUE	DUE per unit	Fee per unit
Single family residential	Dwelling unit	\$2,230	1.00	\$2,230
Multi-family residential	Dwelling unit	\$2,230	.61	\$1,360
Commercial	1,000 SF	\$2,230	1.32	\$2,944
Industrial	1,000 SF	\$2,230	.91	\$2,029

(Source: Town of Loomis General Plan Final Environmental Impact Report; Town of Loomis Planning Department; Sinclair & Associates)

SECTION V. AB 1600 NEXUS

The Mitigation Fee Act (AB 1600) requires a local agency considering an action establishing, increasing, or imposing a fee to address following procedural requirements.

1. *Identify the purpose of the fee.*

The purpose of the Road Circulation/Major Roads fee is to provide funding to achieve the goal of maintaining traffic levels of service and providing transportation facilities to achieve the goals and meet the requirements set forth in the Town of Loomis General Plan.

2. *Identify the use to which the fee is to be put.*

The proceeds from the fees will be used to construct transportation improvement projects identified in the Town of Loomis General Plan, the Downtown Loomis Parking and Circulation Plan and the Town's Capital Improvement Budget.

3. *The relationship between the fee's use and the type of development project on which the fee is imposed.*

The fee will be applied to residential development projects and non-residential development projects. These types of development projects will generate additional vehicular trips that will impact the capacity of the current transportation system. The transportation facility improvements constructed with the proceeds of the fee will address and mitigate the additional impacts and demands created by residential and non-residential development projects.

4. *The relationship between the need for the transportation facility and the type of development project on which the fee is imposed.*

The fee will be applied to residential development projects and non-residential development projects. Both residential and non-residential developments generate additional trips that will impact the current transportation system. The mitigation fee study calculates the degree of impact by each category of land use by the number of new P.M. peak trips generated.

5. *The relationship between the amount of the fee and the cost of the transportation facility or portion of the transportation facility attributable to the development on which the fee is imposed.*

Because only a portion of future trips will be generated by development in Loomis, only a portion of the project improvement costs are assigned to future Loomis development. The Town has engaged Fehr & Peers Transportation Consultants to prepare a study of future (year 2020) Loomis trips versus non-Loomis trips. In March and April 2005, Fehr & Peers modeled the percentage of future trips on twenty-five road segments in Loomis. The percentage of trips generated by future non- Loomis development ranges from 43% to 98%, as compared to trips that will be generated by development inside of Loomis, depending upon the location of the segment. The applicable segment percentage is applied to each future transportation project to determine the portion of the total cost that is deducted from the cost assigned to the Loomis Major Roads/Circulation fee program.

The fee has been calculated by apportioning the cost of transportation facility improvements to future developments in proportion to the number of P.M. peak hour trips generated by the type of development upon which the fee is imposed. In each case, the amount of the fee has been calculated to generate adequate funds to construct transportation facility improvements identified in the General Plan, the Downtown Loomis Parking and Circulation Plan and the Town's Capital Improvement Budget.

The fee has also been calculated to include a three percent administrative fee to reimburse the Town for the costs of complying with the Mitigation Fee Act and to implement the goals of the Town.

CHAPTER 3

HORSESHOE BAR ROAD / INTERSTATE 80 INTERCHANGE MITIGATION FEE

SECTION I. INTRODUCTION AND PURPOSE

The Town of Loomis General Plan establishes policies and goals requiring new development to maintain Town service levels by paying for its proportional share of transportation system improvements. The General Plan articulates these goals by establishing the following policies:

1. In order to minimize congestion, maintain Level of Service C on all roads and intersections within the Town of Loomis. Level of Service D may be allowed in conjunction with development approved within the Town as an exception to this standard, at the intersections of King and Taylor, Horseshoe Bar Road and Taylor, Horseshoe Bar and I-80, Sierra College and Brace Road and Webb and Taylor when the deficiency is substantially caused by through traffic which neither begins nor ends in Loomis.
2. The Town shall assess fees on new development to cover the fair share portion of the development's cumulative impacts on the local and regional transportation system.
3. New residential development shall be required to bear the full financial burden for new public service capital improvements required to serve the residents of the development, through impact fees, environmental mitigation fees, and other appropriate means.
4. New development shall be required to contribute toward the maintenance of existing levels of public services and facilities – through fees, dedications, or other appropriate means.

The General Plan also establishes a goal of improving the Horseshoe Bar/Interstate 80 interchange, with two phases as described in a Project Study Report (PSR) prepared in 1998. Phase 1 (interim improvements) includes new left and right hand turn lanes, signalization, off-ramp widening and other improvements. Phase 2 (Alternative 2) consists of replacing the existing two lane over-crossing with a four lane over-crossing, rebuilding off-ramps, signalization and an auxiliary meter lane.

The Town of Loomis intends to pursue methods to implement the goals of the General Plan, and in particular, to establish financing mechanisms to implement the goals. This report is provided to assist the Town in implementing those goals by identifying the cost of future Horseshoe Bar/I-80 interchange improvements and calculating a mitigation fee to finance that portion of the improvements attributable to new development projects in Loomis.

SECTION II. HISTORY AND CURRENT FEES

In 1995, the Town of Loomis formed a benefit district for the purpose of providing funding for the Horseshoe Bar/I-80 interchange improvements. The project cost was estimated at \$3,905,000. Fees were established and the Town began to collect fees from new development projects. In 1998, the Town approved a Capital Improvement Program and Financing Plan (1997-2010) prepared by Administrative Budget Counseling. That report updated the estimated cost of improvements to \$4,098,000 and recommended minor changes to the then existing fees. The Town Council adopted a fee resolution in 1999, implementing the recommendations of that report. The resolution adopted fees as follows: \$821.10 for single family residential units, \$525.51 for multi-family residential units, \$1.29 per square foot for commercial developments

and \$.67 per square foot for industrial developments. The fees have not been subsequently adjusted. The purpose of this study is to update the Horseshoe Bar/I-80 interchange mitigation fee.

SECTION III. HORSESHOE BAR/I-80 INTERCHANGE IMPROVEMENTS

The Horseshoe Bar/I-80 interchange project includes Phase 1 and Phase 2 improvements, as described in the PSR. Project cost estimates were initially established in January, 1998. These cost estimates are updated based upon the 24.9% change in the Engineering News Record Construction Cost Index (ENR-CCI) since the 1998 PSR estimates. (The ENR-CCI index is commonly used for updating public works project cost estimates.)

The PSR identified \$3,200,000 in State Transportation Improvement Funds as contributing toward the project. This amount has not been deducted from the total project cost, as State funding is uncertain.

Table 3-1: Horseshoe Bar/I-80 Interchange project cost

Project	1998 Project cost	2004 Project cost
Phase 1	\$ 793,000	\$ 990,457
Phase 2 – Alternative 2	6,486,000	8,101,014

(Source: Town of Loomis Project Study Report; Town staff; Sinclair & Associates)

Existing deficiency:

The Highway Capacity Manual defines a level of service ("LOS") as "a quantitative measure describing operational conditions within a traffic stream and their perception by motorists and/or passengers." Levels of service are quantified by a volume-to-capacity ratio. Levels of service are designated by the letters "A" to "F", with LOS "A" being the best condition.

The General Plan identifies LOS C as the acceptable standard for traffic conditions. Roadways operating at less than LOS C would be considered to have an existing deficiency. Improvements designed to correct the existing deficiencies cannot be funded by a mitigation fee program.

The 1998 PSR and the 2001 General Plan indicate that the ramp intersections operate at LOS C. Therefore, there is no current deficiency.

Adjustments to project costs (development outside of Loomis):

The Horseshoe Bar/Interstate 80 interchange improvement costs are assigned to future development that will cause additional vehicular trips and deterioration in the current Levels of Service.

However, some of the impacts will be created by development in Loomis, and some will be created by development outside of Loomis. The portion of the impact generated by development outside of Loomis should not be borne by Loomis development. The Town engaged Fehr & Peers Transportation Consultants to prepare a study of future (year 2020) Loomis trips versus non-Loomis trips. In March and April 2005, Fehr & Peers modeled the percentage of future trips on twenty-five road segments in Loomis. On Horseshoe Bar Road north of I-80, future non-Loomis trips represent 47% of increased peak-hour trips; south of I-80 future non-Loomis trips represent 62% of increased peak-hour trips. The average of future non-Loomis trips north and south of I-80 is 54.5%, and this percentage of the cost of the project is deducted from the total cost to determine the amount to be included in the fee program.

This approach assigns the proportionate cost of improvements to future Loomis developments, and creates a fee to fund that portion of the improvement costs. It also assigns the proportionate cost of improvements to future non-Loomis developments. However, the Town of Loomis cannot directly impose the fee on development outside of Loomis. Funding for improvements associated with development outside of Loomis is not in place at this time. Absent a program for funding from other sources, the Loomis road improvements will be under-funded.

In addition to the transportation improvement costs, the Town of Loomis will incur certain costs in administering the Mitigation Fee Act, as well as implementing transportation facility improvements. The Town estimates that this cost will be approximately three percent of the improvement costs (Appendix A). This administrative cost is added to the total improvement costs in Table 3-2.

The Town has collected \$872,300 as of June 30, 2004 for the purpose of funding this project. This amount is deducted from the amount required to fund the project in Table 3-2.

The total amount attributable to future Loomis development is \$3,264,319.

Table 3-2: Horseshoe Bar/I-80 interchange improvement costs

Project #	Project	Total project cost	Non-Loomis future trips	Attributable to non-Loomis future trips	Mitigation fee program cost
3-1	Phase 1	\$ 990,457	54.5%	\$ (539,799)	\$ 450,658
3-2	Phase 2 – Alternative 2	8,101,014	54.5%	(4,415,053)	3,685,961
	Sub-total	\$9,091,471		\$(4,954,852)	\$4,136,619
	Administrative cost (3%)				124,099
	Fees previously collected				(872,300)
	Total assignable to future Loomis development				\$3,388,418

(Source: Town of Loomis Project Study Report; Town staff; Fehr & Peers; Sinclair & Associates)

SECTION IV. FEE CALCULATION

Calculation of "Dwelling Unit Equivalents":

The impacts of new development on transportation systems are typically measured by the number of trips generated by each category of land use. Studies typically use the number of P.M. peak hour trips as a measure of the impact generated by each land use. All land uses are then compared to the impact of one single family residential unit, by calculating a "dwelling unit equivalent," or "DUE." For example, a land use with a dwelling unit equivalent of .5 would generate one-half of the impact of a single family residence, and would be subject to one-half of the impact fee collected from a single family residence.

Transportation fee programs use generally accepted parameters that identify the traffic impacts of each type of land use. This study uses the trip rates published by the Institute of Transportation Engineer's Trip Generation Manual (6th edition) and the trip lengths and percentage of new trips published in the ITE Journal, May 1992. These factors are consistent with those used by the Placer County Transportation Planning Agency. There are many ITE sub-categories for industrial, office and retail land uses, each with different trip generation characteristics and

dwelling unit equivalents. For purposes of this study, the "light industrial" sub-category has been selected to represent the Loomis industrial land uses, and the small shopping center sub-category has been selected to represent Loomis commercial land uses.

Loomis has four basic land uses designated in the General Plan. The land uses and the dwelling unit equivalents are identified in Table 3-3.

Table 3-3: Dwelling unit equivalents

Land use category	Dwelling unit equivalent
Single family residential	1.00
Multi-family residential	.61
Commercial (per 1,000 square feet)	1.32
Industrial (per 1,000 square feet)	.91

(Source: ITE Trip Generation Manual)

The Loomis General Plan and the General Plan Final Environmental Impact Report identify the amount of additional development expected to occur within the planning period (2020). Table 3-4 provides the number of single family and multi-family units expected to be built, and the square footage of commercial and industrial space to be constructed. The General Plan figures have been updated to reflect building permits issued since 2001.

Table 3-4: Future residential, commercial and industrial development

Land use category	Additional development by 2020
Single family residential	1,000 dwelling units
Multi-family residential	573 dwelling units
Commercial	446,300 square feet
Industrial	771,500 square feet

(Source: Town of Loomis General Plan Final Environmental Impact Report; Town of Loomis Planning Department; Sinclair & Associates)

To determine the total future dwelling unit equivalents, the future developable units are multiplied by the number of dwelling unit equivalents for each land use in Table 3-5. Commercial and industrial land uses are characterized "per one-thousand square feet."

Table 3-5: Future Dwelling Unit Equivalents

Land use category	Unit	Developable units	DUE per unit	Total DUE
Single family residential	Dwelling unit	1,000	1.00	1,000.0
Multi-family residential	Dwelling unit	573	.61	349.5
Commercial	1,000 SF	446.3	1.32	589.1
Industrial	1,000 SF	771.5	.91	702.1
Total				2,640.7

(Source: Town of Loomis General Plan Final Environmental Impact Report; Town of Loomis Planning Department; Sinclair & Associates)

Calculation of the fee:

The Horseshoe Bar Road/I-80 interchange project improvement costs assignable to future development are \$3,388,418 (Table 3-2). The future dwelling unit equivalents are 2,640.7 (Table 3-5). Dividing the improvement cost by the number of dwelling unit equivalents results in an assignable cost of \$1,283 per dwelling unit equivalent.

The fee per dwelling unit equivalent is distributed to each land use in Table 3-6.

Table 3-6: Horseshoe Bar/I-80 interchange improvement fee per future unit

Land use category	Unit	Cost per DUE	DUE per unit	Fee per unit
Single family residential	Dwelling unit	\$1,283	1.00	\$1,283
Multi-family residential	Dwelling unit	\$1,283	.61	\$783
Commercial	1,000 SF	\$1,283	1.32	\$1,694
Industrial	1,000 SF	\$1,283	.91	\$1,168

(Source: Town of Loomis General Plan Final Environmental Impact Report; Town of Loomis Planning Department; Sinclair & Associates)

SECTION V. AB 1600 NEXUS

The Mitigation Fee Act (AB 1600) requires a local agency considering an action establishing, increasing, or imposing a fee to address following procedural requirements.

1. *Identify the purpose of the fee.*

The purpose of the Horseshoe Bar Road/I-80 Interchange fee is to provide funding to achieve the goal of maintaining traffic levels of service and providing transportation facilities to achieve the goals and meet the requirements set forth in the Town of Loomis General Plan.

2. *Identify the use to which the fee is to be put.*

The proceeds from the fees will be used to construct Phase 1 and Phase 2 – Alternative 2 improvements to the interchange, as identified in the January 1998 "Project Study Report for the Interstate 80/Horseshoe Bar Road Interchange Reconstruction."

3. *The relationship between the fee's use and the type of development project on which the fee is imposed.*

The fee will be applied to residential development projects and non-residential development projects. These types of development projects will generate additional vehicular trips that will impact the capacity of the interchange. The improvements constructed with the proceeds of the fee will address and mitigate the additional impacts and demands created by residential and non-residential development projects.

4. *The relationship between the need for the transportation facility and the type of development project on which the fee is imposed.*

The fee will be applied to residential development projects and non-residential development projects. Both residential and non-residential developments generate additional trips that will impact the Horseshoe Bar/Interstate 80 interchange. The mitigation fee study calculates the degree of impact by each category of land use by the number of new P.M. peak trips generated.

5. *The relationship between the amount of the fee and the cost of the transportation facility or portion of the transportation facility attributable to the development on which the fee is imposed.*

Because only a portion of future trips will be generated by development in Loomis, only a portion of the project improvement costs are assigned to future Loomis development. The Town has engaged Fehr & Peers Transportation Consultants to prepare a study of future (year 2020) Loomis trips versus non-Loomis trips. In March and April 2005, Fehr & Peers modeled the percentage of future trips on twenty-five road segments in Loomis. On Horseshoe Bar Road north of I-80, the non-Loomis future trips are 47%; south of I-80 non-Loomis trips are 62%. The average of non-Loomis trips, north and south of I-80 is 54.5%, and this percentage of the cost of the project is deducted from the total cost to determine the amount to be included in the fee program.

The fee has been calculated by apportioning the cost of Horseshoe Bar/Interstate 80 improvements to future developments in proportion to the number of P.M. peak hour trips generated by the type of development upon which the fee is imposed. In each case, the amount of the fee has been calculated to generate adequate funds to construct the improvements identified in the Project Study Report.

The fee has also been calculated to include a three percent administrative fee to reimburse the Town for the costs of complying with the Mitigation Fee Act and to implement the goals of the Town.

CHAPTER 4

SIERRA COLLEGE BOULEVARD MITIGATION FEE

SECTION I. INTRODUCTION AND PURPOSE

The Town of Loomis General Plan establishes policies and goals requiring new development to maintain Town service levels by paying for its proportional share of transportation system improvements. The General Plan articulates these goals by establishing the following policies:

1. In order to minimize congestion, maintain Level of Service C on all roads and intersections within the Town of Loomis. Level of Service D may be allowed in conjunction with development approved within the Town as an exception to this standard, at the intersections of King and Taylor, Horseshoe Bar Road and Taylor, Horseshoe Bar and I-80, Sierra College and Brace Road and Webb and Taylor when the deficiency is substantially caused by through traffic which neither begins nor ends in Loomis.
2. The Town shall assess fees on new development to cover the fair share portion of the development's cumulative impacts on the local and regional transportation system.
3. New residential development shall be required to bear the full financial burden for new public service capital improvements required to serve the residents of the development, through impact fees, environmental mitigation fees, and other appropriate means.
4. New development shall be required to contribute toward the maintenance of existing levels of public services and facilities – through fees, dedications, or other appropriate means.

The General Plan and the Town of Loomis Capital Improvement Budget include transportation system improvements intended to address future traffic congestion. In particular, they include improvements to Sierra College Boulevard that will be necessary to maintain the current level of service as development occurs in the Town of Loomis and in neighboring jurisdictions. This report identifies the cost of specific improvements to Sierra College Boulevard located within the Loomis town limits, and assigns a proportionate share of future costs to future Loomis development.

It is important to note that this report does not include funding for Sierra College Boulevard improvements on road segments outside of Loomis. The report also does not include funding for Sierra College Boulevard improvements in Loomis required as a result of new development in neighboring jurisdictions. It only includes improvements in Loomis required as a result of future development in Loomis.

SECTION II. CURRENT FEES

Sierra College Boulevard improvements are currently included in the Road Circulation/Major Roads fee. Sierra College Boulevard improvements are proposed to be removed from the Road Circulation/Major Roads program, and to be funded by a separate fee.

There are several regional and sub-regional fee programs either in place or under discussion among Placer County jurisdictions. The Town of Loomis does not currently impose mitigation fees for the transportation improvement projects contemplated in these programs. A 2001 "Placer County Regional Traffic Congestion and Air Quality Mitigation Fee Program Final Report"

conducted by the Placer County Transportation Planning Agency notes that participation in a south Placer County impact fee program would result in a single family residential fee of \$1,229 to fund five regional transportation projects (Placer Parkway, Lincoln Bypass, Sierra College Boulevard, I-80/Douglas Boulevard Interchange and transit projects). This fee has been adjusted by construction indices since 2001.

SECTION III. SIERRA COLLEGE BOULEVARD IMPROVEMENTS

The General Plan and the Capital Improvement Budget identify transportation projects necessary to meet future requirements. The Town has begun to address the need for transportation facilities by constructing new and repairing existing transportation facilities. However, there are projects remaining to be funded and constructed. Table 4-1 is a list of future projects on Sierra College Boulevard qualifying for funding, in part, by the mitigation fee program.

Project costs were initially drawn from the Town's General Plan, Capital Improvement Budget and other sources. The General Plan cost estimates are updated based on the 14.2% change in the Engineering News Record Construction Cost Index (ENR-CCI) since the original General Plan estimates were made in July 2001. (The ENR-CCI index is commonly used for updating public works project cost estimates.) The projects that were initiated solely from the Town's Capital Improvement Budget were last estimated in July 2004 and those cost estimates are used for purposes of this analysis.

The Taylor Road/Sierra College Boulevard grade separation project cost includes only the cost for a Project Study Report, and not the actual design and construction cost, which is estimated at approximately \$16 million (a portion of which could be included in the Loomis fee).

Existing deficiencies:

The Highway Capacity Manual defines a level of service ("LOS") as "a quantitative measure describing operational conditions within a traffic stream and their perception by motorists and/or passengers." Levels of service are quantified by a volume-to-capacity ratio. Levels of service are designated by the letters "A" to "F", with LOS "A" being the best condition.

The General Plan identifies LOS C as the acceptable standard for traffic conditions. Roadways operating at less than LOS C would be considered to have an existing deficiency. Improvements designed to correct the existing deficiencies cannot be funded by a mitigation fee program.

The General Plan indicates that all Sierra College Boulevard intersections operate at Level of Service C or better. Therefore, there are no current deficiencies requiring funding by the existing population under the Mitigation Fee Act.

Impacts associated with regional growth:

The mitigation fee program imposes fees on developments within the Town for impacts associated with those developments, but not for impacts created by developments outside of the Town. However, Sierra College Boulevard is a route that is significantly impacted by developments beyond the Town limits, and by the traffic generated by those developments. The portion of the impact generated by development outside of Loomis should not be borne by Loomis development.

The Town engaged Fehr & Peers Transportation Consultants to prepare a study of future (year 2020) Loomis trips versus non-Loomis trips. In March and April 2005, Fehr & Peers modeled

the percentage of future trips on twenty-five road segments in Loomis. On Sierra College Boulevard, the non-Loomis future trips are as follows:

- Sierra College Blvd: North of King Road 89%
- Sierra College: King Road to Taylor Road 80%
- Sierra College: Taylor Road to Granite Drive 80%

The applicable segment percentage is applied to each future transportation project to determine the portion of the total cost that is deducted from the cost assigned to the Town of Loomis Sierra College fee program. (In the event that a project overlaps segments, an average percentage is used.)

This approach assigns the proportionate cost of improvements to future Loomis developments, and creates a fee to fund that portion of the improvement costs. It also assigns the proportionate cost of improvements to future non-Loomis developments. However, the Town of Loomis cannot directly impose the fee on development outside of Loomis. Funding for improvements associated with development outside of Loomis is not in place at this time. Absent a program for funding from other sources, the Loomis road improvements will be under-funded.

In addition to the transportation improvement costs, the Town of Loomis will incur certain costs in administering the Mitigation Fee Act, as well as implementing transportation facility improvements. The Town estimates that this cost will be approximately three percent of the improvement costs (Appendix A). This administrative cost is added to the total improvement costs in Table 4-1.

The Town has collected \$264,140 as of June 30, 2004 for the purpose of funding Sierra College Boulevard improvements. This amount is deducted from the amount required to fund the project in Table 4-1.

The total amount attributable to future Loomis development is \$1,823,718.

Table 4-1: Sierra College Boulevard improvement costs

Project #	Project	Total project cost	Non-Loomis future trips	Attributable to non-Loomis future trips	Mitigation fee program cost
4-1	Sierra College Blvd/King Road signalization	\$ 250,000	84.5%	\$ (211,250)	\$ 38,750
4-2	Sierra College Blvd widening (Bankhead Road to south Town limit)	6,166,800	80%	(4,933,400)	1,233,360
4-3	Bankhead Road/Sierra College Blvd signalization	250,000	80%	(200,000)	50,000
4-4	Sierra College 4-lane widening (Bankhead to north town limit)	4,225,400	84.5%	(3,570,463)	654,937
4-5	Taylor Road/Sierra College Blvd grade separation (Project Study Report only)	250,000	80%	(200,000)	50,000
	Sub-total	\$11,142,220		\$ (9,115,153)	\$2,027,047
	Administrative cost (3%)				60,811
	Less: Fees previously collected				(264,140)
	Total assignable to future development				\$1,823,718

(Source: Town of Loomis General Plan; Town staff; Fehr & Peers; Sinclair & Associates)

SECTION IV. FEE CALCULATION**Calculation of "dwelling unit equivalents":**

The impacts of new development on transportation systems are typically measured by the number of trips generated by each category of land use. Studies typically use the number of P.M. peak hour trips as a measure of the impact generated by each land use. All land uses are then compared to the impact of one single family residential unit, by calculating a "dwelling unit equivalent." For example, a land use with a dwelling unit equivalent of .5 would generate one-half of the impact of a single family residence, and would be subject to one-half of the impact fee collected from a single family residence.

Transportation fee programs use generally accepted parameters that identify the traffic impacts of each type of land use. This study uses the trip rates published by the Institute of Transportation Engineer's Trip Generation Manual (6th edition) and the trip lengths and percentage of new trips published in the ITE Journal, May 1992. These factors are consistent with those used by PCTPA. There are many ITE sub-categories for industrial, office and retail land uses, each with different trip generation characteristics and DUE's. For purposes of this study, the "light industrial" sub-category has been selected to represent the Loomis industrial land uses, and the small shopping center sub-category has been selected to represent Loomis commercial land uses.

Loomis has four basic land uses designated in the General Plan. The land uses and the dwelling unit equivalents are identified in Table 4-2.

Table 4-2: Dwelling unit equivalents

Land use category	Dwelling unit equivalent
Single family residential	1.00
Multi-family residential	.61
Commercial (per 1,000 square feet)	1.32
Industrial (per 1,000 square feet)	.91

(Source: ITE Trip Generation Manual)

The Loomis General Plan and the General Plan Final Environmental Impact Report identify the amount of additional development expected to occur within the planning period (2020). Table 4-3 provides the number of single family and multi-family units expected to be built, and the square footage of commercial and industrial space to be constructed. The General Plan figures have been updated to reflect building permits issued since 2001.

Table 4-3: Future residential, commercial and industrial development

Land use category	Additional development by 2020
Single family residential	1,000 dwelling units
Multi-family residential	573 dwelling units
Commercial	446,300 square feet
Industrial	771,500 square feet

(Source: Town of Loomis General Plan Final Environmental Impact Report; Town of Loomis Planning Department; Sinclair & Associates)

To determine the total dwelling unit equivalents, the future developable units are multiplied by the number of dwelling unit equivalents for each land use in Table 4-4. Commercial and industrial land uses are characterized "per one-thousand square feet."

Table 4-4: Future dwelling unit equivalents

Land use category	Unit	Developable units	DUE per unit	Total DUE
Single family residential	Dwelling unit	1,000	1.00	1,000.0
Multi-family residential	Dwelling unit	573	.61	349.5
Commercial	1,000 SF	446.3	1.32	589.1
Industrial	1,000 SF	771.5	.91	702.1
Total				2,640.7

(Source: Town of Loomis General Plan Final Environmental Impact Report; Town of Loomis Planning Department; Sinclair & Associates)

Calculation of fee:

The Sierra College Boulevard project improvement costs assignable to future development in Loomis are \$1,823,718 (Table 4-1). The number of future dwelling unit equivalents is 2,640.7 (Table 4-4). Dividing the improvement cost by the number of dwelling unit equivalents results in an assignable cost of \$691 per dwelling unit equivalent.

The cost per dwelling unit equivalent is distributed to each land use in Table 4-5, based on the dwelling unit equivalent per unit for each land use.

Table 4-5: Sierra College improvements fee per unit

Land use category	Unit	Cost per DUE	DUE per unit	Fee per unit
Single family residential	Dwelling unit	\$691	1.00	\$691
Multi-family residential	Dwelling unit	\$691	.61	\$422
Commercial	1,000 SF	\$691	1.32	\$912
Industrial	1,000 SF	\$691	.91	\$629

(Source: Town of Loomis General Plan Final Environmental Impact Report; Town of Loomis Planning Department; Sinclair & Associates)

SECTION V. AB 1600 NEXUS

The Mitigation Fee Act (AB 1600) requires a local agency considering an action establishing, increasing, or imposing a fee to address following procedural requirements.

1. *Identify the purpose of the fee.*

The purpose of the fee is to provide funding to achieve the goal of maintaining traffic levels of service and providing transportation improvements on Sierra College Boulevard, and to achieve the goals and meet the requirements set forth in the Town of Loomis General Plan.

2. *Identify the use to which the fee is to be put.*

The proceeds from the fees will be used to construct transportation improvement projects on Sierra College Boulevard, as identified in the Town of Loomis General Plan and the Town's Capital Improvement Budget.

3. *The relationship between the fee's use and the type of development project on which the fee is imposed.*

The fee will be applied to residential commercial and industrial development projects. These types of development projects will generate additional vehicular trips that will impact the capacity of the current transportation system. The transportation facility improvements constructed with the proceeds of the fee will address and mitigate the additional impacts and demands on Sierra College Boulevard created by residential and non-residential development projects.

4. *The relationship between the need for the transportation facility and the type of development project on which the fee is imposed.*

The fee will be applied to residential development projects and non-residential development projects. Both residential and non-residential developments generate additional trips that will impact the current transportation system. The mitigation fee study calculates the degree of impact by each category of land use by the number of new P.M. peak trips generated.

5. *The relationship between the amount of the fee and the cost of the transportation facility or portion of the transportation facility attributable to the development on which the fee is imposed.*

Because only a portion of future trips will be generated by development in Loomis, only a portion of the project improvement costs are assigned to future Loomis development. The Town engaged Fehr & Peers Transportation Consultants to prepare a study of future (year 2020) Loomis trips versus non-Loomis trips. In March and April 2005, Fehr & Peers modeled the percentage of future trips on twenty-five road segments in Loomis. On Sierra College Boulevard, the non-Loomis trips range from 80% to 91%. The percentage of the cost of the project attributable to non-Loomis trips is deducted from the total cost to determine the amount to be included in the fee program.

The fee has been calculated by apportioning the cost of transportation facility improvements to future developments in proportion to the number of P.M. peak hour trips generated by the type of development upon which the fee is imposed. The percentage of the cost of each improvement assigned to future development in Loomis is based on regional traffic studies and reported by the Placer County Transportation Planning Agency. For each project, the amount of the fee has been calculated to generate adequate funds to construct that portion of the transportation facility improvements required as a result of the additional impact resulting from the development.

The fee has also been calculated to include a three percent administrative fee to reimburse the Town for the costs of complying with the Mitigation Fee Act and to implement the goals of the Town.

CHAPTER 5 DRAINAGE IMPROVEMENTS MITIGATION FEE

SECTION I. INTRODUCTION AND PURPOSE

The Town of Loomis General Plan establishes policies and goals requiring new development to maintain Town service levels by paying for its proportional share of public facilities. The General Plan articulates these goals by establishing the following policies:

1. New residential development shall be required to bear the full financial burden for new public service capital improvements required to serve the residents of the development, through impact fees, environmental mitigation fees, and other appropriate means.
2. New development shall be required to contribute toward the maintenance of existing levels of public services and facilities – through fees, dedications, or other appropriate means.

The Town also developed a Drainage Master Plan (West Yost & Associates, November 2001). The plan notes that Loomis population will increase to over 10,000 under the General Plan. The plan identifies drainage facilities that are currently inadequate and/or inadequate to handle storm drain run-off created by future development.

The Town of Loomis intends to pursue methods to implement the goals of the General Plan, and in particular, to establish financing mechanisms to implement the goals. This report is provided to assist the Town in implementing those goals by identifying the cost of future drainage facilities and calculating a mitigation fee to finance the portion of the storm drainage facilities that are attributable to new development projects.

SECTION II. CURRENT FEES

In 1999, the Town of Loomis approved a Capital Improvement Program and Financing Plan (1997-2010) prepared by Administrative Budget Counseling. That report identified certain drainage facilities that were necessary to maintain Town service levels. The Town Council adopted a fee resolution in 1999, implementing the recommendations of that report. The resolution enacted drainage facilities mitigation fees of \$316 for single family residential units, \$190 for multi-family residential units, \$3,773 per acre for commercial and industrial developments. The fees have not been subsequently adjusted.

The Town also participates in the Placer County Flood Control and Water Conservation District's Dry Creek Watershed Drainage Improvement Program, and collects fees that are remitted to the District for area-wide drainage infrastructure improvements. The Dry Creek Watershed Drainage Improvement Program infrastructure improvements and fees are not addressed in this report.

SECTION III. DRAINAGE FACILITY IMPROVEMENTS

The 2001 Drainage Master Plan and the Town's Capital Improvement Budget identify drainage projects and improvements to bridges and culverts necessary to meet existing and future requirements. The Town has begun to address the need for drainage facilities by constructing new and repairing existing drainage facilities. However, there are projects remaining to be

funded and constructed. Table 5-1 is a list of future projects qualifying for funding, in part, by the mitigation fee program. Cost estimates are based upon the 2001 Drainage Master Plan, updated for changes in construction costs since those estimates were made. The updated costs are based upon the 16.3% change in the Engineering News Record Construction Cost Index (ENR-CCI) since the original estimates were made in April 2001. This index is commonly used for updating public works project cost estimates. (The cost for the Secret Ravine/Brace Road bridge/culvert project has been reduced by \$15,000 to reflect a contribution from the Dry Creek Watershed Improvement Program. The Circle Drive project cost has not been adjusted by the ENR-CCI index, as it is a 2004 cost estimate provided by Town staff.)

In addition to the drainage improvement costs, the Town of Loomis will incur certain costs in administering the Mitigation Fee Act, as well as implementing drainage facility improvements. The Town estimates that this cost will be approximately three percent of the improvement costs (Appendix A). This administrative cost is added to the total improvement costs in Table 5-1.

Table 5-1: Project cost estimates

Location	Project description	Project cost
Corvin Ct. west of Herbert St.	Replace drain inlet	\$ 22,059
Tri-city Self Storage & Arcadia Ave.	Replace drain, reconstruct curb	40,635
Tri-city Self Storage detention basin	Enlarge detention basin	23,220
Taylor Road – phase 1	Construct storm drainage system	740,718
Taylor Road – phase 2	Construct storm drainage improvements	1,017,036
Circle Drive	Drainage improvements	150,000
Secret Ravine at Brace Road	Replace bridge/culvert	103,422
Antelope Creek at King Road	Replace bridge/culvert	69,660
Secret Ravine at Gade Lane	Replace bridge/culvert	69,660
Sucker Ravine at King Road	Replace bridge/culvert	58,050
Sub-total		\$2,294,460
Administrative cost (3%)		68,834
Total		\$2,363,294

(Source: Town of Loomis Drainage Master Plan; Town of Loomis Capital Improvement Budget; Sinclair & Associates)

SECTION IV. APPORTIONMENT OF DRAINAGE FACILITY IMPROVEMENT COSTS TO THE EXISTING POPULATION AND FUTURE DEVELOPMENT

The total cost of drainage facility improvements must be apportioned to the existing population and to future development projects. This section calculates these amounts.

Storm drainage run-off is a function of the intensity of land uses, as measured by the effective impervious area of each land use. The effective impervious area is defined as the percentage of the area in which runoff does not seep into the soil and which does not drain across a neighboring pervious area. Effective impervious area factors can be estimated for each land use. This study uses the effective impervious area factors employed by the Placer County Flood Control and Water Conservation District in the Dry Creek Watershed Flood Control Plan (James M. Montgomery, April 1992).

To determine the cost of drainage facility improvements attributable to future development, the analysis calculates the ratio of the existing impervious area as compared to the impervious area

that will be developed by 2020. Table 5-2 identifies the existing and future developed acreage, and the existing and future impervious area. Data is drawn from the General Plan Final Environmental Impact Report, updated by building permits issued since 2000. It concludes that existing development represents 58.7% of the total impervious area, and future development will represent 41.3% of the total impervious area by 2020.

Table 5-2: Existing and future impervious acres

Land use category	Effective impervious area	Existing developed acres	Future developed acres	Existing impervious acres	Future impervious acres
Single family residential	.15	2,539.5	1,141	380.9	171.2
Multi-family residential	.6	21.2	101.4	12.7	60.8
Commercial & industrial	.9	71.1	99.9	64.0	89.9
Total				457.6	321.9
Percentage				58.7%	41.3%

(Source: Town of Loomis General Plan Final Environmental Impact Report; Town of Loomis Planning Department; Placer County Flood Control and Water Conservation District; Sinclair & Associates)

Table 5-3 distributes the drainage facility improvement costs (from Table 5-1) to the existing population and future development, in proportion to the acres of existing developed land and the land that is expected to be developed by 2020.

Table 5-3: Allocation of future drainage improvement costs to future development

Drainage facility improvements total project cost	Existing developed acreage (58.7%)	Future development acreage (41.3%)
\$2,363,294	\$1,387,254	\$976,040

(Source: Town of Loomis; Sinclair & Associates)

The amount attributable to the existing population (\$1,387,254) is typically known as the "deficiency" in mitigation fee studies. The deficiency cannot be allocated to future development. The Town must identify additional revenue sources to fund the deficiency. The previously collected drainage impact fees, amounting to \$125,506 as of June 30, 2004 may be allocated to the deficiency. The remaining funds could come from a variety of funding sources that can be explored by the Town for this purpose, including state and federal grants, general funds and other financing techniques.

SECTION V. APPORTIONMENT OF DRAINAGE FACILITY IMPROVEMENT COSTS TO FUTURE RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENTS

This section calculates the percentage of future impervious acreage that each future land use category will create (Table 5-4). This percentage is used to allocate future storm drainage improvement costs to each land use category. For example, single family residential development will create 53.2% of the future impervious area in Loomis, and 53.2% of the future storm drainage improvement costs will be allocated to single family development.

Table 5-4: Allocation of future drainage improvement costs among land uses

Land use category	Future impervious acres	Per cent of total impervious acres
Single family residential	171.2	53.2%
Multi-family residential	60.8	18.9%
Commercial and industrial	89.9	27.9%
Total	321.9	100.0%

(Source: Town of Loomis General Plan Final Environmental Impact Report; Town of Loomis Planning Department; Placer County Flood Control and Water Conservation District; Sinclair & Associates)

Table 5-5 allocates the storm drainage improvement costs to each land use category.

Table 5-5: Cost per unit or acre

Land use category	Per cent of total impervious acres	Storm drainage improvement cost	Costs allocated to each land use
Single family residential	53.2%	\$976,040	\$519,253
Multi-family residential	18.9%	\$976,040	\$184,472
Commercial and industrial	27.9%	\$976,040	\$272,315
Total	100.0%	\$976,040	\$976,040

(Source: Town of Loomis General Plan Final Environmental Impact Report; Placer County Flood Control and Water Conservation District; Town of Loomis Planning Department; Sinclair & Associates)

SECTION VI. FEE CALCULATION

This section calculates the fee for each land use category.

Calculation of the fee for residential units and commercial and industrial acres:

The drainage costs assigned to the land use categories can be further allocated to each residential unit and to each acre of commercial and industrial development. Table 5-6 calculates the fee per unit and acre.

Table 5-6: Fee per unit or acre

Land use category	Costs allocated to each land use	Future development (units or acres)	Drainage improvement fee per unit or acre
Single family residential	\$519,253	1,000 units	\$ 519 per unit
Multi-family residential	\$184,472	572 units	\$ 323 per unit
Commercial and industrial	\$272,315	99.9 acres	\$2,726 per acre
Total	\$976,040		

(Source: Town of Loomis General Plan Final Environmental Impact Report; Town of Loomis Planning Department; Sinclair & Associates)

SECTION VII. AB 1600 NEXUS

The Mitigation Fee Act (AB 1600) requires a local agency considering an action establishing, increasing, or imposing a fee to address following procedural requirements.

1. *Identify the purpose of the fee.*

The purpose of the drainage facility fee is to provide funding to achieve the goal of maintaining service levels and providing adequate drainage facilities to meet storm drainage run-off requirements set forth in the Town of Loomis Drainage Master Plan.

2. *Identify the use to which the fee is to be put.*

The proceeds from the fees will be used to construct drainage, bridge and culvert improvements as identified in the Town of Loomis Drainage Master Plan and the Town's Capital Improvement Budget.

3. *The relationship between the fee's use and the type of development project on which the fee is imposed.*

The fee will be applied to residential development projects and non-residential development projects. These types of development projects will generate additional storm drainage run-off and will impact the capacity of the current storm drainage facilities to handle the additional run-off. The drainage facility improvements constructed with the proceeds of the fee will address and mitigate the additional impacts and demands created by these residential and non-residential development projects.

4. *The relationship between the need for the drainage facility and the type of development project on which the fee is imposed.*

The fee will be applied to residential development projects and non-residential development projects. Both residential and non-residential developments create additional lot coverage and impermeable surface area, thereby increasing the storm drainage run-off.

5. *The relationship between the amount of the fee and the cost of the drainage facility or portion of the drainage facility attributable to the development on which the fee is imposed.*

The fee has been calculated by apportioning the cost of drainage facility improvements to future developments in proportion to their acreage and impervious surface area. In each case, the amount of the fee has been calculated to generate adequate funds to construct drainage facility improvements identified in the Drainage Master Plan and the Capital Improvement Budget.

The fee has also been calculated to include a three percent administrative fee to reimburse the Town for the costs of complying with the Mitigation Fee Act and to implement the goals of the Town.

CHAPTER 6 COMMUNITY FACILITIES MITIGATION FEE

SECTION I. INTRODUCTION AND PURPOSE

The Town of Loomis General Plan establishes policies and goals requiring new development to maintain Town service levels by paying for a proportionate share of public facilities. The General Plan articulates these goals by establishing the following policies:

1. New residential development shall be required to bear the full financial burden for new public service capital improvements required to serve the residents of the development, through impact fees, environmental mitigation fees, and other appropriate means.
2. New development shall be required to contribute toward the maintenance of existing levels of public services and facilities – through fees, dedications, or other appropriate means.

The Town of Loomis intends to pursue methods to implement the goals of the General Plan, and in particular, to establish financing mechanisms to implement the goals. This report is provided to assist the Town in implementing those goals by identifying the cost of future community facilities and calculating a mitigation fee to finance that portion of the community facilities attributable to new development projects.

SECTION II. CURRENT FEES

In 1999, the Town of Loomis approved a Capital Improvement Program and Financing Plan (1997-2010) prepared by Administrative Budget Counseling. That report identified certain community facilities that were necessary to maintain Town service levels. The Town Council adopted a fee resolution in 1999, implementing the recommendations of that report. The resolution enacted a community facility mitigation fee of \$1,315.59 for single family residential units, \$1,140.18 for multi-family residential units, \$.25/square foot for commercial developments and \$.07/square foot for industrial developments. The fees have not been subsequently adjusted.

SECTION III. COMMUNITY FACILITIES

The Town of Loomis has begun to address the need for civic and community facilities by acquiring certain real property and other assets since incorporation. This section identifies the value of the current inventory of community facilities owned by the Town of Loomis.

The Town of Loomis has also identified three additional community facilities that are necessary to meet the broad range of needs of the existing population and by the impacts generated by new development projects. The projects are described in this section.

Identification of the existing facilities:

The Town has acquired the physical assets and facilities identified in Table 6-1. The values are calculated at actual historical cost, and would be considerably higher if calculated at current replacement cost. The total historical cost of the existing facilities is \$2,906,747.

Table 6-1: Existing Town of Loomis facilities

Existing community facilities:	Cost
Office furniture and equipment	\$ 485,596
Tools and equipment	230,897
Vehicles	91,768
Land and improvements	1,375,223
Building improvements	7,127
Corporate yard improvements	716,136
Total existing Facilities	\$ 2,906,747

(Source: Town of Loomis)

Additional civic and community facilities:

The Town has identified three additional community facilities, to serve the current population and to maintain existing service levels for new development. The proportional costs of the new facilities attributable to new development are included in the community facility mitigation fee calculation.

First, a Town Hall building has been identified as an essential facility for the existing community and to address the needs of future residents. Town staff has indicated that a six thousand square foot building on a 1.2 acre parcel would address current and future Town requirements.

Table 6-2 provides an estimate of the land and building costs. Land values are based on a survey of sales of similarly-sized commercial properties. Building costs have been estimated by Synergy Associates, a Sacramento firm specializing in public agency facility construction project management. The total land and construction cost is estimated at \$2,404,700.

Table 6-2: Town Hall project cost

Project components	Quantity	Unit price	Cost
Land acquisition	1.2 acres	\$4.30/sq. ft.	\$ 224,800
Construction cost			
Core and shell	6,000 sq. ft.	\$110/sq.ft.	\$ 660,000
Interior improvements	6,000 sq. ft.	\$80/sq.ft.	\$ 480,000
On-site work	1.2 acres	\$50,000/acre	\$ 60,000
Parking	18,000 sq. ft.	\$8/sq. ft.	\$ 144,000
Access & off-site work		Lump sum	\$ 40,000
Public art		2%	\$ 27,700
Contingency (hard costs)		5%	\$ 69,200
Total construction cost			\$1,480,900
Furniture, fixtures & equipment	6,000 sq. ft.	\$40/sq. ft.	\$ 240,000
Soft costs			
Architect & engineer		11%	\$ 189,300
Surveys and testing		1.5%	\$ 25,800
CEQA/Environmental	6,000 sq. ft.	\$.6/sq. ft.	\$ 36,000
Fees, permits, utility connection, etc.	6,000 sq. ft.	\$7/sq. ft.	\$ 42,000
Project management	24 months	\$6,000/month	\$ 144,000
Contingency (soft costs)		5%	\$ 21,900
Total soft cost			\$ 459,000
Total Town Hall			\$2,404,700

(Source: Town of Loomis staff; Town of Loomis land appraisals; Placer County Assessor's Office; Synergy Associates)

Second, a Public Service Facility has also been identified as an essential facility, to potentially be occupied by the Town's police services and other community services. This facility would be of similar size as the Town Hall, and would also require approximately 1.2 acres. Because the facility could potentially be occupied by public safety personnel, its construction costs are based on applicable earthquake standards. Table 6-3 details the land and building costs, totaling \$2,353,600.

Table 6-3 Public Services facility cost

Project components	Quantity	Unit price	Cost
Land acquisition	1.2 acres	\$4.30/sq. ft.	\$ 224,800
Construction cost			
Core and shell	6,000 sq. ft.	\$110/sq.ft.	\$ 660,000
Public safety building requirements		20%	\$ 132,000
Interior improvements	6,000 sq. ft.	\$65/sq.ft.	\$ 390,000
On-site work	1.2 acres	\$50,000/acre	\$ 60,000
Parking	18,000 sq. ft.	\$8/sq. ft.	\$ 144,000
Access & off-site work		Lump sum	\$ 40,000
Public art		2%	\$ 28,500
Contingency (hard costs)		5%	\$ 71,300
Total construction cost			\$1,525,800
Furniture, fixtures & equipment	6,000 sq. ft.	\$25/sq. ft.	\$ 150,000
Soft costs			
Architect & engineer		11%	\$ 184,300
Surveys and testing		1.5%	\$ 25,100
CEQA/Environmental	6,000 sq. ft.	\$.6/sq. ft.	\$ 36,000
Fees, permits, utility connection, etc.	6,000 sq. ft.	\$7/sq. ft.	\$ 42,000
Project management	24 months	\$6,000/month	\$ 144,000
Contingency (soft costs)		5%	\$ 21,600
Total soft cost			\$ 453,000
Total Public Services Facility			\$2,353,600

(Source: Town of Loomis; Town of Loomis land appraisals; Placer County Assessor's Office; Synergy Associates)

Third, the Town has identified a need for a multi-modal facility in the downtown area. Town staff estimates that the cost for multi-modal facility is approximately \$1,200,000. This facility has been included in the community facility project list.

The cost of all community facility improvements will be apportioned to the existing population and future population in Section IV.

SECTION IV. APPORTIONMENT OF COMMUNITY FACILITY COSTS TO THE EXISTING POPULATION AND FUTURE POPULATION

The total cost of community facility improvements must be apportioned to the existing population and to the population generated by future development projects. This section calculates these amounts.

The State Department of Finance reports that the Town of Loomis population in 2003 was 6,289.

The population is expected to grow to 10,300 by 2020 (Source: Town of Loomis General Plan; Sacramento Council of Government Projections (SACOG)). New residential development will result in an additional 4,011 residents during this period. This is the residential population that is subject to the mitigation fee program.

Definition of "employee resident equivalents":

In addition to residents in the Town of Loomis, employees who work in the Town of Loomis use and place demands on community facilities. Just as future growth in the residential population will impact community facilities, future growth in commercial and industrial developments, and the additional employees will also impact community facilities. Accordingly, it is necessary to determine the use and impact of employees, in addition to the use and impact of residents.

The General Plan identifies an employment base of 1,550 employees in year 2000. It also identifies the number of additional employees that will result from future commercial and industrial development. The employment base is projected to increase to 4,150 by year 2020.

Employees will use community facilities in a variety of ways. Companies and employees comprise a significant portion of the calls for public services, such as police services, which may be housed in the Public Services facility. Public works and administrative services will be provided by Town staff who will occupy Town Hall and the recently completed corporation yard facility. The Town Hall will house the Town's Planning Department, which processes applications for the non-residential land uses where employees will work. Employees will also use a multi-modal station to commute to and from work.

However, one employee is generally not considered to have the same demand for or impact upon community facilities as one resident. This analysis utilizes the number of hours a fulltime employee is present in the Town of Loomis (40) divided by the number of hours in a week (168) as the ratio of the impact one employee will have on community facilities, as compared to one resident. Thus, for purposes of this analysis, one employee is considered to have the impact of .24 residents (40/168). This is known as an "employee resident equivalent". That is, one employee is considered to equal .24 resident equivalents.

Calculation of resident equivalents and apportionment of park facility improvement costs:

The current residential population and employee resident equivalents are compared to the future residential population and employee resident equivalents in Table 6-4. The sum of the current population and employee resident equivalents represents 59% of the total residential population and employee resident equivalents at year 2020. Future growth accounts for 41% of the total.

Table 6-4: Resident equivalents

	Current	Growth	2020
Residents	6,289	4,011	10,300
Employee "resident equivalents" (employees multiplied by .24)	(1,550 x .24) 372	(2,600 x .24) 624	(4,150 x .24) 996
Total "resident equivalents"	6,661	4,635	11,296
Percent current and growth "resident equivalents"	59%	41%	100%

(Source: Town of Loomis General Plan; SACOG Projections)

The percentages calculated in Table 6-4 serve as the basis for apportioning the total cost of Town's community facility improvement costs. In Table 6-5, 59% of the total community facility improvement cost is allocated to the current population, and 41% of the total cost is allocated to the future growth population.

Table 6-5 also calculates the additional funding required for the existing population. The value of the current population's investment in the existing community facility improvements is deducted from the costs apportioned to the existing population to determine the additional funding required.

In addition to the facility improvement costs, the Town of Loomis will incur certain costs in administering the Mitigation Fee Act, as well as implementing facility improvements. The Town estimates that this cost will be approximately three percent of the improvement costs (Appendix A). This administrative cost is added to the total improvement costs in Table 6-5.

Table 6-5: Community facility funding required for current and future residents

Allocation of community facility costs	Existing (59%)	Growth (41%)	Total
Total community facility cost			
Existing Facilities	\$2,906,747		
Town Hall	\$2,404,700		
Public Services	\$2,353,600		
Multi-Modal	\$1,200,000		
Administrative Cost (1)	\$ 178,749		
	\$ 9,043,796	\$5,335,839	\$3,707,957
Less: value of existing community facilities	(2,906,747)		(2,906,747)
Additional funding required	\$2,429,092	\$3,707,957	\$6,137,049

(1) Administrative fee is calculated as 3% of the cost of the future facilities only.

(Source: Town of Loomis; Sinclair & Associates)

Funding sources for facility improvement costs apportioned to the existing population:

Table 6-5 apportions the community facility improvement costs to the current and future growth populations. The additional funding required for the current population is \$2,429,092. This amount is sometimes referred to as the "deficiency," meaning the amount of funding that must come from sources other than mitigation fees to achieve the Town's community facility goals for the existing population. A portion of this deficiency will be funded by the Town's existing Community Facility Fees fund balance of \$1,025,277 as of June 30, 2004. In addition, the Town has set aside \$575,000 in a General Fund reserve to partially fund community facilities. Combined, these two sources will provide a substantial portion of funding for the current deficiency. The remaining funds could come from a variety of funding sources that can be explored by the Town for this purpose, including state and federal grants, periodic state bond funds, law enforcement grants, certificates of participation, general funds, donations, voter-approved bonds and other financing techniques.

SECTION V. FEE CALCULATION – RESIDENTIAL LAND USES

This section calculates the fee for a single family residential unit and a multifamily residential unit.

Calculation of the fee per resident equivalent:

The total cost of community facility improvements apportioned to future growth was determined to be \$3,707,957 (Table 6-5). The total number of future "resident equivalents" (residents plus employee resident equivalents) was determined to be 4,635 (Table 6-4). Dividing the total cost by the total resident equivalents results in a cost per resident equivalent of \$800, as detailed in Table 6-6.

Table 6-6: Community facility cost per resident equivalent

	Growth
Amount apportioned to future growth (A)	\$3,707,957
Resident equivalents from future growth (B)	4,635
Amount per resident equivalent (A divided by B)	\$ 800

(Source: SACOG Projections; Town of Loomis)

Calculation of the fee per residential unit:

The mitigation fee will be imposed on each residential unit. To calculate the fee per unit, the cost per resident equivalent (\$800) is multiplied by the residents per unit. The Sacramento Area Council of Governments cites an average of 2.82 residents per single family unit in Loomis, and an average of 1.87 residents per multifamily unit.

Table 6-7 calculates the fee per residential unit.

Table 6-7: Community facility fee per residential unit

	Residents per unit	Cost per resident equivalent	Cost per unit
Single family unit	2.82	\$800	\$2,256
Multi-family unit	1.87	\$800	\$1,496

(Source: SACOG Projections; Town of Loomis General Plan Technical Background Report)

SECTION VI. FEE CALCULATION – COMMERCIAL AND INDUSTRIAL DEVELOPMENTS

This section calculates the fee per 1,000 square feet of commercial and industrial development.

Calculation of "resident equivalents" per 1,000 square feet:

The fee for commercial and industrial developments will be imposed on each 1,000 square feet of new building space. The General Plan Update Final EIR (May 2001) identifies the number of employees per 1,000 square feet of building space for commercial and industrial land uses, as detailed in Table 6-8. The table calculates the number of resident equivalents per 1,000 square feet of building space for each non-residential land use by multiplying the number of employees per 1,000 square feet by the .24 factor.

Table 6-8: Resident equivalents per 1,000 square feet

	Employees/1,000 sq. ft. of building area	Resident equivalents/ 1,000 sq. ft. (employees x .24)
Commercial	2.3	0.552
Industrial	1.7	0.408

(Source: Town of Loomis General Plan Update Final EIR)

Calculation of fee per 1,000 square feet of building space:

Table 6-9 calculates the fee per 1,000 square feet for future commercial and industrial developments by multiplying the cost per resident equivalent (\$800) by the number of resident equivalents per 1,000 square feet of building space (from Table 6-8).

Table 6-9: Community facility fee per 1,000 square feet

	Cost per resident equivalent	Resident equivalents/1,000 square feet	Cost per 1,000 square feet
Commercial	\$800	0.552	\$442
Industrial	\$800	0.408	\$326

(Source: Town of Loomis General Plan Final EIR)

SECTION VII. AB 1600 NEXUS

The Mitigation Fee Act (AB 1600) requires a local agency considering an action establishing, increasing, or imposing a fee to address following procedural requirements.

1. *Identify the purpose of the fee.*

The purpose of the community facility fee is to provide funding to achieve the goal of maintaining service levels and providing high quality community and public safety facilities to meet the broad range of needs of Loomis residents, as established in the Town of Loomis General Plan.

2. *Identify the use to which the fee is to be put.*

The proceeds from the fees will be used to acquire land and construct community and public service facility improvements as specified in this report, in other documents referenced by this report, including the Town of Loomis General Plan and the Town of Loomis Capital Improvement Program. The community facility improvements to be constructed are a Town Hall, a Public Service Facility and a multi-modal station.

3. *The relationship between the fee's use and the type of development project on which the fee is imposed.*

The fee will be applied to residential, commercial and industrial development projects. Residential development, and to a lesser extent, commercial and industrial developments will generate new demands for community facilities. The community facility improvements constructed with the proceeds of the fee will address and mitigate the

additional impacts and demands created by these residential and non-residential development projects.

4. *The relationship between the need for the community facility and the type of development project on which the fee is imposed.*

The fee will be applied to residential development projects and non-residential development projects. These types of development projects generate new residents and new employees in the community. Residents and employees utilize public services, which may occupy the Public Services facility. The Town Hall will house the general Administrative Services staff and the Public Works Department management staff, who provide direct Town services to residents and employees. The Town Hall will also house the Town's Planning Department, which processes applications for development projects. Residents and employees will also use the multi-modal facility for transportation purposes. The proceeds from the fee will be used to address these community facility needs of the new residents and employees.

5. *The relationship between the amount of the fee and the cost of the community facility or portion of the community facility attributable to the development on which the fee is imposed.*

The fee has been calculated by apportioning the average cost of community facility improvements to the number of residents generated by each new residential unit, and to the "resident equivalent" of each employee generated by non-residential land uses. In each case, the amount of the fee has been calculated to generate adequate funds to construct community facility improvements to achieve the General Plan goal of providing high quality civic and community facilities to meet the broad range of needs of Loomis residents and employees.

The fee has also been calculated to include a three percent administrative fee to reimburse the Town for the costs of complying with the Mitigation Fee Act and to implement the goals of the Town.

Perry Beck

From: Tom Sinclair [tsinclair@usamedia.tv]
Sent: Tuesday, July 25, 2006 12:16 PM
To: Perry Beck
Subject: Re: LOOMIS IMPACT FEES

Perry,

There are indeed four fees, but no more than three would ever apply to any application.

The Passive Park/Open Space fee is a new fee, and applies to all development. The Park Facility Fee also applies to all development.

The Quimby Act fee applies only to a subdivision of five lots or more. It does not apply to commercial developments, subdivisions of four lots or less or on previously subdivided vacant residential lots. The purpose of adopting a Quimby Act fee is to allow the Town to require a major subdivision to dedicate land for park purposes; the fee is actually in-lieu of requiring the dedication of the land.

The "Park Acquisition Fee" was adopted in order to pick up fees on commercial developments, subdivisions of four lots or less, and existing vacant residential lots, as they are not covered under the Quimby in-lieu fee.

Bottom line, either the Quimby Act or the Park Acquisition Fee should be charged on any given development. Not both.

Hope this answers the question. If not, let me know by email, or call me. I'm hear all day today. 530-878-9100.

Tom

----- Original Message -----

From: Perry Beck
To: 'Tom Sinclair'
Sent: Tuesday, July 25, 2006 7:34 AM
Subject: LOOMIS IMPACT FEES

HI TOM

Miguel and I were looking over the Impact Fee Summary 2006 Fees and noted that two figures "Quimby in-lieu fee (major subdivisions only)" and "Park Acquisition (Mitigation Fee Act)" are the same \$2,408. There are not two fees the same are there? Going back to the 2005 study we found that the then current park fee was replaced with three fees. However, both the 2005 and 2006 charts on your July 22, 2006 example shows four fees. Let me know what it should be. I'm wondering if our fee calculation sheet has been doubling up by charging both a Quimby fee and a Park Acquisition fee.

THANKS PERRY

7/25/2006

CHAPTER 7

QUIMBY ACT PARK DEDICATION AND IN-LIEU FEE PARK LAND ACQUISITION MITIGATION FEE

SECTION I. INTRODUCTION AND PURPOSE

The Town of Loomis General Plan Recreation Element (adopted in July, 2001) defines the goals of the Town relative to the acquisition of active park land in Loomis. The General Plan establishes the following policies and goals:

1. The appropriate park standard to apply in Loomis is five acres of active park land for each one thousand residents.
2. The Town will evaluate and consider financing options to procure park land and recreational facilities, including impact fees on new development, and will evaluate the existing park land in-lieu impact fee program and recommend appropriate revisions.

The Town of Loomis Park and Recreation Master Plan (adopted in February, 1998) also supports this standard by recommending the implementation of a ratio of five acres of active park land per one thousand residents, and five acres of passive parks and open space land per one thousand residents. The Master Plan further defines the active park land goal as consisting of three acres of neighborhood parks and two acres of community parks per one thousand residents. The Master Plan recommended that the Town adopt fees equal to the then existing Placer County fee, with annual adjustments for inflation.

These goals, standards and implementation measures establish the Town's vision for active park and recreation facilities to serve the community. The Town of Loomis intends to pursue methods to implement this vision. This chapter of the report is provided to assist the Town in setting fees for active park land acquisition, first by calculating the park dedication requirements and in-lieu fee for qualifying residential subdivisions under the Quimby Act, and second, by calculating a fee for acquisition of park land for commercial developments and for construction of homes on residential parcels not covered by the Quimby Act. The fees not covered under the Quimby Act are proposed to be adopted under the authority of the Mitigation Fee Act.

The Quimby Act:

Park land dedication requirements for major residential subdivisions are subject to the Quimby Act. The Quimby Act permits an agency to require the dedication of three acres of land per one thousand residents as a condition of approval for residential subdivisions of five or more parcels. If the amount of existing park land exceeds a ratio of three acres per thousand residents, the agency may require the dedication of the existing ratio, up to a maximum of five acres per thousand residents. In the event that a proposed residential subdivision is less than fifty parcels, the agency can only require the payment of an in-lieu fee (and not the dedication of land). This report verifies the existing park land ratio as exceeding five acres per thousand, and calculates the Quimby Act in-lieu fee.

To implement the Quimby Act, an agency must take certain actions to require a dedication of land or the payment of a fee in lieu of the dedication of land:

1. Adopt a general plan or specific plan containing policies and standards for parks and recreation facilities.
2. Adopt an ordinance requiring the dedication of land or the imposition of a requirement for the payment of a fee in lieu of the dedication of land, or a combination of both. The ordinance must include definite standards for determining the proportion of a subdivision

to be dedicated and the amount of the in-lieu fee. The amount of land to be dedicated and the fee must be based upon the density of each residential type.

3. Determine that the amount and location of land to be dedicated or the fees to be paid bear a reasonable relationship to the use of the park and recreational facilities by the future inhabitants of the subdivision.

This chapter serves as the basis for implementing the standards and dedication requirements of the Quimby Act.

The Mitigation Fee Act:

For existing vacant residential parcels, subdivisions of four or fewer parcels, and commercial developments, this report serves as the basis for the Town's consideration of the requirements of the Mitigation Fee Act. This statute has been the framework for establishing park land impact fees (and other fees) for residential and other development projects that are not covered under the authority of the Quimby Act

This chapter also provides the analysis and the basis for the Town's consideration of findings required under the Mitigation Fee Act, for a development impact fee for the acquisition of land for active parks at a rate consistent with the Town's standard of five acres per one thousand residents.

Related fees:

The Town has also established a separate goal of achieving five acres of passive park land and open space for each one thousand residents, and that analysis is the subject of a separate chapter and fee. Passive park land and open space is distinguished from active park land in that the former is intended to address the preservation of unimproved natural resource lands, while the latter is intended to provide facilities for adult and youth active recreational and sports activities.

The fee for the construction of park facility improvements on active park land (and minor improvements on passive park/open space land) is the subject of a separate chapter and fee.

Together, the provision of park land acquisition by dedication (or payment of a fee), the fee for construction of park facility improvements and the passive park land/open space mitigation fee are intended to address the need for parks and open space generated by new development.

SECTION II. CURRENT FEES

The 1998 Master Plan calculated a \$1,692 single family residential parcel fee and a \$1,522 multi-family unit fee as necessary to maintain the (1997) replacement cost for park land and facilities in Loomis. The Master Plan recommended that the Town adopt a fee similar to the then Placer County fee (\$1,228 for single family parcels and \$1,094 for multi-family units). The current fees of \$1,210 for a single family residential parcel and \$1,083.93 for a multi-family unit were adopted in 1999, and have not been subsequently adjusted. These fees are collected and used for park land acquisition and construction of park facility improvements.

SECTION III. PARK INVENTORY

The Quimby Act permits the Town to require the dedication of five acres of land (or the payment of an in-lieu fee) for new residential subdivisions if the Town can demonstrate that its current

inventory meets or exceeds this standard. This section identifies the existing park land per thousand residents, and verifies that the five acre standard has been achieved.

The 2001 General Plan identifies the park and recreational facilities and open space lands accessible to the Town of Loomis. It cites the accessibility of park and school park facilities that are owned by the Town of Loomis, Placer County, Placer Union High School District, Loomis Union School District and Sierra Community College. Placer County parks are included because of their proximity to Loomis, or because they were in existence prior to incorporation or have been partially funded by Loomis residents. School facilities are included because they represent a significant resource for meeting the recreational needs of Loomis residents, and the Town has invested funds in certain school facilities.

Mitigation fee studies typically include school park facilities that are generally available for public use as part of the existing inventory. The Placer County Park and Recreation Facilities Impact Fee Study (Hausrath Economics, September 2003) concludes that school park and recreation facilities are reserved for student use 40% of the total hours in a year, and available to the general public 60% of the total hours in a year. In Table 7-1 below, 60% of the school park land is included as part of the existing available inventory.

Sierra Community College land is calculated as being available only on one weekend day (14% of the hours available during the year).

Bikeways and bicycle lanes are included in the inventory.

The current inventory is summarized in Table 7-1.

Table 7-1: Park and recreational facilities

Park/Open Space Facility	Acreage (1)
Loomis facilities:	
Sunrise-Loomis Neighborhood Park	4.0
Del Oro High School (60%)	15.0
H. Clarke Powers School (60%)	3.9
Loomis Elementary School (60%)	2.1
Bikeways and bicycle lanes	7.0
Sub-total, Loomis facilities	32.0
Loomis area park facilities:	
Loomis Basin Regional Park	33.0
Traylor Park	100.0
Franklin Elementary School (60%)	2.5
Placer Elementary School (60%)	1.8
Sierra College (14%)	35.0
Sub-total Loomis area facilities	172.3
Total park and recreational facilities	204.3

(1) School parks are calculated at 60% of total acreage; Sierra College is calculated at 14% of total acreage.

(Source: Town of Loomis General Plan; Town staff; Sinclair & Associates)

The Quimby Act requires the use of the most recent census as the basis for the population in calculating the existing park land standard. The 2000 Loomis population was 6,260 residents. Using only the active park land within the Town limits (including 60% of the school property) the

existing park land is 5.1 acres per thousand residents. When Loomis area park land is included (Placer County facilities and nearby schools) the existing acreage significantly exceeds the five acre standard.

Determination of "deficiencies":

Mitigation Fee Act studies typically identify any existing "deficiencies" in facilities, whereby the current quantity of facilities fall below the agency's established standard. In this event, reports identify potential funding sources to cure the deficiency. Future mitigation fees cannot be used to cure existing deficiencies.

While some prior reports and plans have described park and open space "deficiencies" in Loomis such analyses have been for different purposes than the more narrow analysis conducted for the Mitigation Fee Act study. As shown above, the park land available to Town residents exceeds the five acre standard imposed on future development, and no current Mitigation Fee Act deficiency exists. The Quimby Act standard of five acres has been achieved.

SECTION IV. FEE CALCULATION

This section translates the five-acre standard into a fee per single family residential unit, multifamily residential unit and commercial development (per 1,000 square feet).

Calculation of the acreage required per residential unit:

The Town's standard of five acres per thousand residents is equal to .005 acres per resident (five acres divided by 1,000 residents). The acreage required per residential unit is calculated by multiplying the .005 acres per resident by the number of residents per unit.

The Sacramento Area Council of Governments cites an average of 2.82 residents per single family unit in Loomis, and an average of 1.87 residents per multifamily unit.

Table 7-2 calculates the amount of acreage required for single family and multifamily units under the five-acre standard by multiplying the acres per resident by the residents per unit.

Table 7-2: Acreage per residential unit

	Acres per resident	Residents per unit	Acres required per unit
Single family unit	0.005	2.82	0.01410
Multi-family unit	0.005	1.87	0.00935

(Source: SACOG Projections; Town of Loomis General Plan)

Calculation of the fee per residential unit:

A fee will be charged for all residential units for which the dedication of land for park purposes is not required. The fee will be based on the amount of land required to meet the applicable park land standard and the cost of acquiring suitable park land.

The average cost of land suitable for active park purposes in the Town of Loomis is estimated at \$108,475 per acre. This estimate is based on data recorded in the Placer County Assessor's Office. Twenty four land sales consisting of two to five acres (typical desired active park sizes in Loomis) during the two year period beginning July 1, 2002 and ending June 30, 2004 were included in the analysis.

Table 7-3 calculates the land cost fee per unit by multiplying the acres per unit (from Table 7-2) by \$108,475 per acre.

Table 7-3: Land cost per residential unit

	Acres per unit	Cost per acre	Land cost per residential unit
Single family unit	0.01410	\$108,475	\$1,529
Multi-family unit	0.00935	\$108,475	\$1,014

(Source: Placer County Assessor's Office; Sinclair & Associates)

In addition to the cost of acquiring the land, the Town of Loomis will incur certain costs in administering and fulfilling the requirements of the Quimby Act and the Mitigation Fee Act, as well as implementing the goals of the Park and Recreation Master Plan. The Town estimates that this cost will be approximately three percent of the fees collected (Appendix A). The three percent administrative cost is added to the land cost in Table 7-4. The result is the fee for residential units.

Table 7-4: Fee per residential unit

	Land cost	Administrative cost	Fee per unit
Single family units	\$1,529	\$46	\$1,575
Multi-family unit	\$1,014	\$30	\$1,044

(Source: Town of Loomis; Sinclair & Associates)

SECTION V. FEE CALCULATION – COMMERCIAL AND INDUSTRIAL

In addition to residents in the Town of Loomis, employees who work in the Town of Loomis use and enjoy active park facilities. Future growth in the commercial developments and employee population will impact park facilities, and that growth should share in the cost of acquiring and providing additional park land. Accordingly, under the authority of the Mitigation Fee Act, it is proposed that the Town of Loomis apply the five-acre standard and a fee to pay for park land acquisition to commercial and industrial developments.

Definition of employee "resident equivalents":

Employees will use park facilities in a variety of ways. They will participate in before- and after-work functions, casual recreational activities, weekend company functions, lunchtime activities, company sponsored teams in sports leagues, and walking and hiking on trail facilities. However, one employee is generally not considered to have the same demand for or impact upon park facilities as one resident. This analysis utilizes the number of hours a fulltime employee is present in the Town of Loomis (40) divided by the number of hours in a week (168) as the ratio of the impact one employee will have on park facilities, as compared to one resident. Thus, for purposes of this analysis, one employee is considered to have the impact of .24 residents (40/168). This is known as an employee "resident equivalent." That is, one employee is considered to equal .24 resident equivalents.

The fee for non-residential land uses will be imposed on each 1,000 square feet of new building space. The General Plan Final EIR (May 2001) identifies the number of employees per 1,000 square feet of building space for commercial and industrial land uses, as noted in Table 7-5.

Table 7-5 calculates the number of "resident equivalents" per 1,000 square feet of building space for each non-residential land use by multiplying the number of employees per 1,000 square feet by the .24 factor.

Table 7-5: "Resident equivalents" in commercial and industrial developments

	Employees/1,000 sq. ft. of building area	Resident equivalents per 1,000 sq. ft. (employees x .24)
Commercial	2.3	0.552
Industrial	1.7	0.408

(Source: Town of Loomis General Plan Final EIR; Sinclair & Associates)

Calculation of fee per 1,000 square feet of building space:

In Section IV, it was determined that the land cost per single family unit was \$1,529. This is the same as \$542 per person (\$1,529 divided by 2.82 persons per household equals \$542 per person).

Table 7-6 calculates the land cost per 1,000 square feet for non-residential land uses by multiplying the cost per resident (\$542) by the number of resident equivalents per 1,000 square feet of building space (from Table 7-5).

Table 7-6: Land cost allocation

	Cost per resident	Resident equivalents/1,000 square feet	Land cost per 1,000 square feet
Commercial	\$542	0.552	\$299
Industrial	\$542	0.408	\$221

(Source: Town of Loomis General Plan Final EIR; Sinclair & Associates)

As with the residential fee, the Town of Loomis will incur costs in administering and fulfilling the requirements of the Mitigation Fee Act, as well as implementing the goals of the Park and Recreation Master Plan. The three percent administrative cost is added to the land cost in Table 7-7. The result is the fee for commercial and industrial developments.

Table 7-7: Fee for commercial and industrial developments

	Land cost per 1,000 square feet	Administrative fee	Fee per 1,000 square feet
Commercial	\$299	\$ 9	\$ 308
Industrial	\$221	\$ 7	\$ 228

(Source: Sinclair & Associates)

SECTION VI. AB 1600 NEXUS AND QUIMBY ACT REQUIREMENTS

The Mitigation Fee Act (AB 1600) requires a local agency considering an action establishing, increasing, or imposing a fee as a condition of approval of a development project to address following procedural requirements.

1. *Identify the purpose of the fee.*

The purpose of the park land fee is to sustain the standard of five acres of active park land per thousand population established in the Town of Loomis General Plan and the Town of Loomis Park and Recreation Master Plan.

2. *Identify the use to which the fee is to be put.*

As additional growth occurs, the existing inventory of park land will be insufficient to sustain the five acre active park land standard. The proceeds from the fees will be used to acquire land to maintain the existing level of service provided by the inventory of active park land currently serving the community. The types of land to be acquired will be those identified in the Town of Loomis Park and Recreation Master Plan – namely, land for community parks and neighborhood parks.

3. *The relationship between the fee's use and the type of development project on which the fee is imposed.*

The fee will be applied to single family residential development projects, multifamily residential development projects and non-residential development projects. These types of development projects will generate new demands and impacts upon the existing park lands. Residential development, and to a lesser extent, commercial and industrial development will result in increased numbers of individuals using active park land.

The proceeds of the fee will be used to purchase land for active park purposes. The additional active park land will address and mitigate the additional impacts and demands created by these types of development projects.

4. *The relationship between the need for the public facility and the type of development project on which the fee is imposed.*

The fee will be applied to single family residential development projects, multifamily residential development projects and non-residential development projects. Residential development, and to a lesser extent, commercial and industrial development will result in growth in population and employees, and active parks will be increasingly required as the population grows. The new residents and employees will need additional facilities for casual recreation, active recreation, sports and recreational programs, walking and hiking activities, company-based and company-sponsored recreational activities. The proceeds from the fee will be used to address the park and recreational needs of the new residents and employees.

5. *The relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.*

The fee has been calculated by apportioning the average cost of an acre of suitable active park land to the number of residents generated by each new single family and multifamily residential unit, and to the "residential equivalent" of each employee generated by non-residential land uses. In each case, the amount of the fee has been calculated to generate adequate funds to acquire active park land to meet a continuing five acre per thousand population standard.

The fee has also been calculated to include a three percent administrative fee to reimburse the Town for the costs of complying with the Quimby Act and the Mitigation Fee Act and to implement the goals of the Town of Loomis General Plan and Park and Recreation Master Plan.

The Quimby Act requires a local agency to address the following procedural requirements.

1. *Adopt a general plan or specific plan containing policies and standards for parks and recreation facilities*

The Town of Loomis General Plan and the Park and Recreation Master Plan establish a standard of five acres of active park land for each one thousand residents.

2. *Adopt an ordinance requiring the dedication of land or the imposition of a requirement for the payment of a fee in lieu of the dedication of land, or a combination of both. The ordinance must include definite standards for determining the proportion of a subdivision to be dedicated and the amount of the in-lieu fee. The amount of land to be dedicated and the fee must be based upon the density of each residential type.*

It will be necessary for the Town to adopt an enabling ordinance to establish the basis for Quimby Act land dedications and in-lieu fees.

3. *The amount and location of land to be dedicated or the fees to be paid must bear a reasonable relationship to the use of the park and recreational facilities by the future inhabitants of the subdivision.*

The Town of Loomis has established a standard level of service of five acres of active park land for each one thousand residents. This standard is based upon the existing active park land available to and accessed by Loomis residents. The in-lieu fee is also calculated to maintain this standard for future residents.

The Quimby Act in-lieu fee will be applied only to residential subdivisions of five or more parcels. The Quimby Act land dedication requirements will be applied only to subdivisions of fifty or more parcels.

CHAPTER 8 PASSIVE PARK AND OPEN SPACE LAND ACQUISITION MITIGATION FEE

SECTION I. INTRODUCTION AND PURPOSE

The Town of Loomis General Plan (Park and Recreation Element and Conservation of Resources Elements) defines the goals of the Town relative to the acquisition of passive park land and the preservation of open space land in Loomis. The General Plan establishes the following policies and goals:

1. The Town will identify ways to preserve open space areas to retain the community's rural atmosphere.
2. New residential developments shall provide for the recreational open space needs of their residents.
3. The Town will evaluate and consider financing options, including impact fees on new development, to achieve these goals.

The Town of Loomis Park and Recreation Master Plan (adopted in February, 1998) also supports the preservation of open space by establishing a goal to provide at least five acres of passive park and open space land for each one thousand residents (in addition to five acres of active park land).

These goals, standards and implementation measures establish the Town's vision for passive park land and open space resources to serve the community. The Town of Loomis intends to pursue methods to implement this vision. This report is provided to assist the Town in setting fees for passive park and open space land acquisition.

Related fees:

The fee for acquisition of active park land under the Quimby Act and the Mitigation Fee Act is the subject of a separate chapter.

The fee for the construction of park facility improvements on active park land and limited improvements for passive park and open space land is also the subject of a separate chapter.

Together, the provision of park and open space land acquisition and the fee for construction of park facility improvements are intended to address the need for parks and open space generated by new development.

SECTION II. CURRENT FEES

The Town does not currently have a fee for the acquisition of passive park and open space land, separate from the park and recreation fee.

SECTION III. FEE CALCULATION

This section translates the five acre standard into a fee per single family residential unit, multi-family residential unit and commercial development (per 1,000 square feet).

Calculation of the acreage required per residential unit:

The Town's standard of five acres per thousand residents is equal to .005 acres per resident (five acres divided by 1,000 residents). The acreage required per residential unit is calculated by multiplying the .005 acres per resident by the number of residents per unit.

The Sacramento Area Council of Governments cites an average of 2.82 residents per single family unit, and an average of 1.87 residents per multifamily unit (based on the 1990 count of 206 residents in 110 multi-family units).

Table 8-1 calculates the amount of acreage required for single family and multifamily units under the five acre standard by multiplying the acres per resident by the residents per unit.

Table 8-1: Acreage per residential unit

	Acres per resident	Residents per unit	Acres required per unit
Single family unit	0.005	2.82	0.01410
Multi-family unit	0.005	1.87	0.00935

(Source: SACOG Projections; Town of Loomis General Plan)

Calculation of the fee per residential unit:

The fee will be charged for all residential units. The fee will be based on the amount of land required to meet the applicable passive park land/open space standard and the cost of acquiring suitable passive park and open space land.

The average cost of land suitable for open space purposes in the Town of Loomis is estimated at \$65,955 per acre. This estimate is based on data recorded in the Placer County Assessor's Office. Fourteen land sales of more than five acre each during the two year period beginning July 1, 2002 and ending June 30, 2004 were included in the analysis.

Table 8-2 calculates cost of acquiring passive park and open space land per unit by multiplying the acres per unit (from Table 8-1) by \$65,955 per acre.

Table 8-2: Land cost per residential unit

	Acres per unit	Cost per acre	Land cost per residential unit
Single family unit	0.01410	\$ 65,955	\$ 930
Multi-family unit	0.00935	\$ 65,955	\$ 617

(Source: Placer County Assessor's Office; Sinclair & Associates)

The Town of Loomis will incur certain costs in administering and fulfilling the requirements of the Mitigation Fee Act, as well as implementing the goals of the Park and Recreation Master Plan and other open space policies and goals. The Town estimates that this cost will be approximately three percent of the fees collected (Appendix A). The three percent administrative cost is added to the land cost in Table 8-3. The result is the fee for residential units.

Table 8-3: Fee per residential unit

	Land cost	Administrative cost	Fee per unit
Single family units	\$ 930	\$ 28	\$ 958
Multi-family unit	\$ 617	\$ 19	\$ 636

(Source: Town of Loomis; Sinclair & Associates)

SECTION IV. FEE CALCULATION – COMMERCIAL AND INDUSTRIAL

In addition to residents in the Town of Loomis, employees who work in the Town of Loomis use passive park and open space facilities. Future growth in the commercial development and employee population will impact passive park open space facilities, and that growth should share in the cost of acquiring and providing additional passive park and open space land. Accordingly, under the authority of the Mitigation Fee Act, it is proposed that the Town of Loomis apply the five acre standard and a fee to pay for passive park and open space land acquisition to commercial and industrial developments.

Definition of employee "resident equivalents":

Employees will impact and enjoy passive park and open space land in a variety of ways. As commercial and industrial growth occurs, it will impact the semi-rural qualities that attract residents and businesses to Loomis. To preserve that character, preservation of open space is beneficial to commercial businesses and their employees, as well as residents. Employees of these businesses will benefit from the visual attributes and clean air resulting from the preservation of open space. Passive park areas, creek corridors, trails through open space areas and other resources will be available to employees for before- and after-work and lunchtime hiking, running and other physical fitness activities.

However, one employee is generally not considered to have the same demand for or impact upon passive parks and open space as one resident. This analysis utilizes the number of hours a fulltime employee is present in the Town of Loomis (40) divided by the number of hours in a week (168) as the ratio of the impact one employee will have on passive park and open space facilities, as compared to one resident. Thus, for purposes of this analysis, one employee is considered to have the impact of .24 residents (40/168). This is known as an employee "resident equivalent." That is, one employee is considered to equal .24 resident equivalents.

The fee for non-residential land uses will be imposed on each 1,000 square feet of new building space. The General Plan Final EIR (May 2001) identifies the number of employees per 1,000 square feet of building space for commercial and industrial land uses, as detailed in Table 8-4. Table 8-4 calculates the number of "resident equivalents" per 1,000 square feet for non-residential land uses by multiplying the number of employees per 1,000 square feet by the .24 factor.

Table 8-4: "Resident equivalents" in commercial and industrial developments

	Employees/1,000 sq. ft. of building area	Resident equivalents per 1,000 sq. ft. (employees x .24)
Commercial	2.3	0.552
Industrial	1.7	0.408

(Source: Town of Loomis General Plan Final EIR); Sinclair & Associates)

Calculation of fee per 1,000 square feet of building space:

In Section IV, it was determined that the land cost per single family unit was \$930. This is the same as \$330 per person (\$930 divided by 2.82 persons per household equals \$330 per person).

Table 8-5 calculates the land cost per 1,000 square feet for non-residential land uses by multiplying the cost per resident (\$330) by the number of resident equivalents per 1,000 square feet of building space (from Table 8-4).

Table 8-5: Land cost allocation

	Cost per resident	Resident equivalents/1,000 square feet	Land cost per 1,000 square feet
Commercial	\$330	0.552	\$182
Industrial	\$330	0.408	\$135

Source: Town of Loomis General Plan Final EIR; Sinclair & Associates

As with the residential fee, the Town of Loomis will incur costs in administering and fulfilling the requirements of the Mitigation Fee Act, as well as implementing the goals of the Park and Recreation Master Plan and other open space policies. The three percent administrative cost is added to the land cost in Table 8-6. The result is the fee for commercial and industrial land uses.

TABLE 8-6: Fee for commercial and industrial developments

	Land cost per 1,000 square feet	Administrative fee	Fee per 1,000 square feet
Commercial	\$182	\$5	\$187
Industrial	\$135	\$4	\$139

(Source: Town of Loomis; Sinclair & Associates)

SECTION V. AB 1600 NEXUS

The Mitigation Fee Act (AB 1600) requires a local agency considering an action establishing, increasing, or imposing a fee as a condition of approval of a development project to address following procedural requirements.

1. *Identify the purpose of the fee.*

The purpose of the passive park and open space land fee is to sustain the five acre per thousand population standard established in the Town of Loomis General Plan and the Town of Loomis Park and Recreation Master Plan.

2. *Identify the use to which the fee is to be put.*

As additional growth occurs, the existing inventory of passive park land and open space will be insufficient to sustain the five acre standard. The proceeds from the fees will be used to acquire land to maintain the existing level of service provided by the inventory of passive park and open space land currently serving the community. The types of land to be acquired will be those identified in the Town of Loomis Park and Recreation Master Plan – namely, land for open space and passive recreation purposes.

3. *The relationship between the fee's use and the type of development project on which the fee is imposed.*

The fee will be applied to single family residential development projects, multifamily residential development projects and non-residential development projects. These types of development projects will generate new demands and impacts upon the existing passive park and open space lands. Residential development, and to a lesser extent, commercial and industrial development will result in increased numbers of individuals using passive park and open space facilities.

The proceeds of the fee will be used to purchase land for passive park and open space purposes. The additional and will address and mitigate the additional impacts and demands created by these types of development projects.

4. *The relationship between the need for the public facility and the type of development project on which the fee is imposed.*

The fee will be applied to single family residential development projects, multifamily residential development projects and non-residential development projects. Residential development, and to a lesser extent, commercial and industrial development will result in growth in population and employees, and passive parks and open space will be increasingly required as the population grows.

These types of development projects generate new residents and new employees in the community, who will require passive recreation lands and will enjoy the benefits of maintaining open space areas in Loomis. Residents and employees will impact and enjoy open space facilities in a variety of ways. As residential, commercial and industrial growth occurs, it will impact the semi-rural qualities that attract residents and businesses to Loomis. To preserve that character, preservation of open space is a beneficial to future residents and employees. The visual attributes and clean air resulting from the preservation of open space are directly connected to the quality of life in Loomis. Passive open space areas, creek corridors, trails through open space areas and other resources will be available to residents and employees for hiking, running and other physical fitness activities. The proceeds from the fee will be used to address the passive park and open space needs of the new residents and employees.

5. *The relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.*

The fee has been calculated by apportioning the average cost of an acre of suitable passive park and open space land to the number of residents generated by each new single family and multifamily residential unit, and to the "residential equivalent" of each employee generated by non-residential land uses. In each case, the amount of the fee has been calculated to generate adequate funds to acquire passive park open space land to meet a continuing five acre per thousand population standard. The fee has also been calculated to include a three percent administrative fee to reimburse the Town for the costs of complying with the Mitigation Fee Act and to implement the goals of the Town of Loomis General Plan and Park and Recreation Master Plan.

CHAPTER 9 PARK FACILITY IMPROVEMENTS MITIGATION FEE

SECTION I. INTRODUCTION AND PURPOSE

The Town of Loomis General Plan Parks and Recreation Element and the Conservation of Resources Element (adopted in July, 2001) provide the policy direction for acquisition and development of active parks, passive parks and open space in Loomis. The Town of Loomis Park and Recreation Master Plan (adopted in February, 1998) provide additional framework and recommendations for implementation of parks, recreation and open space programs. Together, they provide the following guidance:

1. The appropriate park standard to apply in Loomis is five acres of active park area per one thousand residents. The active park land goal consists of three acres of neighborhood parks and two acres of community parks per one thousand residents.
2. The Town will also implement a standard of five acres of passive park and open space land per one thousand residents. The Town will identify ways to preserve open space areas to retain the community's rural atmosphere.
3. The Town will evaluate and consider financing options to construct park facility improvements, including impact fees on new development, and will evaluate the existing park impact fee program and recommend appropriate revisions.

These goals, standards and implementation measures establish the Town's vision for active parks, passive parks and open space facilities to serve the community. The Town of Loomis intends to pursue methods to implement this vision. This report is provided to assist the Town in setting fees for construction of park facilities on active park land and limited improvements on passive park and open space land under the authority provided by the Mitigation Fee Act.

Related fees:

The fee for the acquisition of active park land under the Quimby Act and the Mitigation Fee Act is the subject of a separate chapter.

The Town has also established a separate goal of acquiring five acres of passive park land and open space for each one thousand residents, and that analysis is the subject of a separate chapter.

Together, the provision of active park land acquisition by dedication (or payment of a fee), the fee for acquisition of passive park land and open space and the fee for construction of park facility improvements are intended to address the need for parks, recreation and open space generated by new development.

SECTION II. CURRENT FEES

The 1998 Master Plan calculated a \$1,692 single family residential parcel fee and a \$1,522 multi-family unit fee as necessary to maintain the (1997) level of park land and facilities in Loomis. The Master Plan recommended that the Town adopt a fee similar to the then Placer County fee (\$1,228 for single family parcels and \$1,094 for multi-family units). The current fees of \$1,210 for a single family residential parcel and \$1,083.93 for a multi-family unit were adopted in 1999, and have not been subsequently adjusted. These fees are collected and used for park land

acquisition and construction of park facility improvements. The fee is not currently imposed on commercial or industrial development.

SECTION III. PARK INVENTORY

The 2001 General Plan identifies the park and recreational facilities and open space land accessible to the Town of Loomis. It cites the accessibility of park and school park facilities that are owned by the Town of Loomis, Placer County, Placer Union High School District, Loomis Union School District and Sierra Community College. Placer County parks are included because of their proximity to Loomis, or because they were in existence prior to incorporation or have been partially funded by Loomis residents. School facilities are included because they represent a significant resource for meeting the recreational needs of Loomis residents, and the Town has invested in school facilities.

Mitigation fee studies typically include school park facilities that are generally available for public use as part of the existing inventory. The Placer County Park and Recreation Facilities Impact Fee Study (Hausrath Economics, September 2003) concludes that school park and recreation facilities are reserved for student use 40% of the total hours in a year, and available to the general public 60% of the total hours in a year. Accordingly, 60% of the school park land is included as part of the existing available inventory in this study.

Sierra Community College land is calculated as being available on one weekend day on average (14% of the hours available during the year).

Bikeways and bicycle lanes are included in the inventory.

Table 9-1: Park inventory

Park Facility	Active park acreage
Loomis park facilities:	
Sunrise-Loomis Neighborhood Park	4.0
Del Oro High School (60%)	15.0
H. Clarke Powers School (60%)	3.9
Loomis Elementary School (60%)	2.1
Bikeways and bicycle lanes	7.0
Sub-total, Loomis facilities	32.0
Loomis area park facilities:	
Loomis Basin Regional Park	33.0
Traylor Park	100.0
Franklin Elementary School (60%)	2.5
Placer Elementary School (60%)	1.8
Sierra College (14%)	35.0
Sub-total Loomis area facilities	172.3
Total park facilities	204.3

(Source: Town of Loomis General Plan; Sinclair & Associates)

Mitigation Fee Act studies typically identify any existing "deficiencies" in facilities, whereby the current quantity of facilities fall below the agency's established standard. In this event, reports

identify potential funding sources to cure the deficiency. Future mitigation fees cannot be used to cure existing deficiencies.

While some prior reports and plans have described park and open space "deficiencies" in Loomis such analyses have been for different purposes than the more narrow analysis conducted for a Mitigation Fee Act study. As shown in Table 9-1 above, through investment in Town and Loomis park improvements and school park improvements, the Town and its residents have achieved and exceeded a ratio of five acres of improvements on active park land and five acres of limited improvements on passive park land and open space land.

SECTION IV. PARK AND OPEN SPACE FACILITY IMPROVEMENT COSTS

This section calculates the cost of achieving the desired goal of constructing improvements on active park land, passive park land and open space land.

Calculation of future park facility acreage:

The State Department of Finance reports that the Town of Loomis population in 2003 was 6,289. The population is expected to grow to 10,300 by 2020 (Source: Town of Loomis General Plan; Sacramento Council of Government Projections (SACOG)). New residential development will result in an additional 4,011 residents during this period. Table 9-2 calculates the additional active park land, passive park land and open space acreage (and acres of improvements) required to serve the future population at the existing standards.

Table 9-2: Acres required for future residents

	Acres per 1,000 population	Future population	Acres required for future population
Active parks	5	4,011	20.055
Passive parks/open space	5	4,011	20.055

(Source: Town of Loomis Park and Recreation Master Plan, Town of Loomis General Plan)

Calculation of future park improvement costs:

The Placer County Department of Facility Services conducted a Placer County Park and Recreation Facilities Impact Fee Study (Hausrath Economics Group) in September 2003, in which the cost of active park improvements was estimated to be \$199,000 per acre. Active park improvements included on-site development costs, off-site development costs, landscaping and a range of potential recreation facilities such as ball fields, basketball courts, tennis courts, tot lots, playgrounds, picnic areas, soccer fields, trails, infrastructure and parking lots. From September 2003 to November 2004, construction costs have increased by 8.5% (Engineering News Record Construction Cost Index), resulting in a current estimate of \$215,915 per acre for active park improvements.

Similarly, the Placer County Department of Facility Services estimated the cost of passive park and open space improvements at \$2,700 per acre (passive park improvements were limited to fencing, site clean up and repairs, signage, gravel parking lots and trailhead staging areas). Adjusting for construction cost increases since the date of that estimate results in a current estimate of \$2,930 per acre for passive park land and open space improvements.

In addition to the park and open space facility improvement costs, the Town of Loomis will incur certain costs in administering the Mitigation Fee Act, as well as implementing the facility improvements. The Town estimates that this cost will be approximately three percent of the improvement costs (Appendix A). This administrative cost is added to the total improvement costs in Table 9-3.

Table 9-3 calculates the total cost for improvements to 20.055 acres of active park land and 20.055 acres of passive park/open space land.

Table 9-3: Cost of future parks and open space improvements

	Acres required for future population	Cost of facility improvements per acre	Total cost of facility improvements
Active parks	20.055	\$215,915	\$4,330,175
Passive parks/open space	20.055	\$ 2,930	\$ 58,761
Administrative cost (3%)			131,668
Total			\$4,520,604

(Source: Placer County Park and Recreation Impact Fee Study; Sinclair & Associates)

SECTION V. CALCULATION OF RESIDENT EQUIVALENTS

The Park Facility Improvement Fee is intended to apply to future residential, commercial and industrial developments in Loomis. This requires an analysis of the relative impacts of future residents and future employees on park and open space facilities. This is accomplished through the definition of an employee "resident equivalent."

Definition of "employee resident equivalents":

Employees who work in the Town of Loomis currently use and place demands on park and recreation facilities. Just as future growth in the residential population will impact community facilities, future growth in the employee population will also impact facilities.

Current and future employees will use park facilities in a variety of ways. They will participate in before- and after-work functions, casual recreational activities, weekend company functions, lunchtime activities, company sponsored teams in sports leagues, and walking and hiking on trail facilities. As commercial and industrial growth occurs, it will also impact the semi-rural qualities that attract businesses to Loomis. To preserve that character, preservation of open space is beneficial to commercial businesses and their employees, as well as residents. Employees of these businesses will benefit from the visual attributes and clean air resulting from the preservation of open space. Passive open space areas, creek corridors, trails through open space areas and other resources will be available to employees for before- and after-work and lunchtime hiking, running and other physical fitness activities.

However, one employee is generally not considered to have the same demand for or impact on community facilities as one resident. This analysis utilizes the number of hours a fulltime employee is present in the Town of Loomis (40) divided by the number of hours in a week (168) as the ratio of the impact one employee will have on community facilities, as compared to one resident. Thus, for purposes of this analysis, one employee is considered to have the impact of

.24 residents (40/168). This is known as an "employee resident equivalent". That is, one employee is considered to equal .24 resident equivalents.

The General Plan identified the number of additional employees that will result from additional commercial and industrial development. The employment base is projected to increase by 2,600 by year 2020.

The State Department of Finance reports that the Town of Loomis residential population in 2003 was 6,289. The population is expected to grow to 10,300 by 2020 (Source: Town of Loomis General Plan, Sacramento Council of Government Projections (SACOG)). New development will result in an additional 4,011 residents during this period.

Calculation of total residents and "resident equivalents":

The current and future residential population and employee resident equivalents are calculated in Table 9-4. Added together, they represent current and future "resident equivalents."

Table 9-4: Resident equivalents

	Growth
Residents	4,011
"Employee resident equivalents" (2,600 employees multiplied by .24)	624
Total "resident equivalents"	4,635

(Source: Town of Loomis General Plan; SACOG Projections)

SECTION VI. FEE CALCULATION – RESIDENTIAL LAND USES

This section calculates the fee for a single family residential unit and a multifamily residential unit.

Calculation of the fee per resident equivalent:

Table 9-5 calculates the future cost per resident equivalent for park and open space improvements.

Table 9-5: Park facility cost per resident equivalent

Facility improvement costs (A)	\$4,520,604
Resident equivalents from future growth (B)	4,635
Cost per resident equivalent (A divided by B)	\$ 975

(Source: SACOG Projections; Town of Loomis General Plan)

Calculation of the fee per residential unit:

The mitigation fee will be imposed on each residential unit. To calculate the fee per unit, the cost per resident equivalent (\$975) is multiplied by the residents per single family and multifamily unit. The Sacramento Area Council of Governments cites an average of 2.82 residents per single family unit, and an average of 1.87 residents per multifamily unit. Table 9-6 calculates the fee per residential unit.

Table 9-6: Park facility fee per residential unit

	Residents per unit	Cost per resident equivalent	Fee per unit
Single family unit	2.8	\$975	\$2,730
Multi-family unit	1.87	\$975	\$1,823

(Source: SACOG Projections; Town of Loomis General Plan Update Technical Background Report)

SECTION VII FEE CALCULATION – COMMERCIAL AND INDUSTRIAL DEVELOPMENT

In addition to residents in the Town of Loomis, employees who work in the Town of Loomis use and enjoy park facilities. Future growth in the employee population will impact the existing facilities, and that growth should share in the cost of providing additional facility improvements. Accordingly, the Town of Loomis will apply the fee to future commercial and industrial developments as well as future residential developments.

Calculation of "resident equivalents" per 1,000 square feet:

The fee for future commercial and industrial developments will be imposed on each 1,000 square feet of new building space. The General Plan Final EIR (May 2001) identifies the number of employees per 1,000 square feet of building space for commercial and industrial land uses, as detailed in Table 9-7.

Table 9-7 calculates the number of employee resident equivalents per 1,000 square feet of building space for commercial and industrial developments by multiplying the number of employees per 1,000 square feet by the .24 employee resident equivalent factor.

Table 9-7: Employee resident equivalents per 1,000 square feet

	Employees/1,000 sq. ft. of building area	Employee resident equivalents/ 1,000 sq. ft. (employees x .24)
Commercial	2.3	0.552
Industrial	1.7	0.408

(Source: Town of Loomis General Plan Update Final EIR)

Calculation of fee per 1,000 square feet of building space:

Table 9-8 calculates the fee per 1,000 square feet for non-residential land uses by multiplying the cost per resident equivalent (\$975) by the number of resident equivalents per 1,000 square feet of building space (from Table 9-7).

Table 9-8: Park facility fee per 1,000 square feet

	Cost per resident equivalent	Resident equivalents/1,000 square feet	Fee per 1,000 square feet
Commercial	\$975	0.552	\$538
Industrial	\$975	0.408	\$398

(Source: Town of Loomis General Plan Final EIR; Sinclair & Associates)

SECTION VIII. AB 1600 NEXUS

The Mitigation Fee Act (AB 1600) requires a local agency considering an action establishing, increasing, or imposing a fee to address following procedural requirements.

1. *Identify the purpose of the fee.*

The purpose of the park facility improvement fee is to provide funding to achieve the goal of maintaining service levels and providing high quality park and recreation facilities to meet the broad range of needs of Loomis residents, as established in the Town of Loomis General Plan.

2. *Identify the use to which the fee is to be put.*

The proceeds from the fees will be used to construct improvements on active park lands and limited improvements on passive park/open space land acquired by the Town

3. *The relationship between the fee's use and the type of development project on which the fee is imposed.*

The fee will be applied to single family residential development projects, multifamily residential development projects and non-residential development projects. These types of development projects will generate new demands and impacts upon the existing park lands. Residential development, and to a lesser extent, commercial and industrial development will result in increased numbers of individuals using active and passive park land and open space.

The proceeds of the fee will be used to construct improvements on active park land and limited improvements on passive park and open space land. The facility improvements constructed with the proceeds of the fee will address and mitigate the additional impacts and demands created by these residential and non-residential development projects.

4. *The relationship between the need for the community facility and the type of development project on which the fee is imposed.*

The fee will be applied to single family residential development projects, multifamily residential development projects and non-residential development projects. Residential development, and to a lesser extent, commercial and industrial development will result in growth in population and employees, and parks and open space will be increasingly required as the population grows. These types of development projects generate new residents and new employees in the community, who will require community parks, neighborhood parks, passive parks and open space. The new residents and employees will need additional facilities for casual recreation, active recreation, sports and recreational programs, walking and hiking activities, company-based and company-sponsored recreational activities. The proceeds from the fee will be used to address the park and recreational needs of the new residents and employees.

5. *The relationship between the amount of the fee and the cost of the community facility or portion of the community facility attributable to the development on which the fee is imposed.*

The fee has been calculated by apportioning the average cost of park facility improvements to the number of residents generated by each new residential unit, and to the "resident equivalent" of each employee generated by non-residential land uses. In each case, the amount of the fee has been calculated to generate adequate funds to construct facility improvements to achieve the General Plan goal of providing high quality park and recreation facilities to meet the broad range of needs of Loomis residents.

The fee has also been calculated to include a three percent administrative fee to reimburse the Town for the costs of complying with the Mitigation Fee Act and to implement the goals of the Town.

CHAPTER 10 ANNUAL FEE ADJUSTMENT

One of the challenges in administering a mitigation fee program is that the cost of land and the cost of construction may continue to increase (or decrease) over time, while the fees remains static, unless reviewed annually by the public agency. Many public agencies address this issue by including an annual adjustment in the resolution adopting the fees. The annual adjustment typically occurs for each of four years following the adoption of the fee. In the fifth year, a comprehensive analysis is conducted to adjust the fee for land costs, land uses or other factors.

Land value adjustment:

Several different factors can be used to facilitate the annual adjustment for park and open space land values. Some agencies conduct an annual land appraisal (for land that is suitable for park or open space purposes). Others conduct an Assessor's Office records research. Still others use publicized indices, such as a consumer price index.

This report recommends that the Town of Loomis adopt a resolution that includes an annual land cost adjustment (for each of the following four years). It is also recommended that the adjustment be based on the change in the average sales price of suitable land, using a rolling two year period as the index. For active park land, this would include two to five acre parcels. For passive park and open space land, this would include parcels with five or more acres

For example, the first adjustment would occur one year following adoption of the new fee. For active park land, the change in the fee would be the percentage change in the average sales price of two to five acre parcels from July 1, 2003 to June 30, 2005, as compared to the average sales price from July 1, 2002 to June 30, 2004. This index most closely follows the analysis used in this report to establish the initial fee for land acquisition.

Construction cost adjustment:

Several different factors can be used to facilitate the annual adjustment; however, most agencies use the Engineering News Record Construction Cost Index (ENR-CCI) to adjust fees on an annual basis. The ENR CCI is a twenty-city average of labor and materials costs. It is similar to a consumer price index, but one that is designed to reflect changing construction costs.

It is recommended that the Town of Loomis adopt a resolution that includes an annual adjustment (for each of the following four years), based upon the change in the Engineering News Record Construction Cost Index, from the date of adoption of the fee.

APPENDIX A

Components of the Administrative Fee

Background:

The Town of Loomis incorporates a three percent administrative fee on all mitigation fees to recover the cost of compliance with applicable law. Of this amount, it is estimated that two percent of the fee will permit the Town to recover the cost of administering legal requirements. The remaining one percent is estimated to permit the Town to recover the costs of project management for the projects that the Town will undertake. The Town has investigated the administrative and project management costs and has determined that they will be approximately three percent of the mitigation fees.

The Mitigation Fee Act:

The Mitigation Fee Act became effective on January 1, 1989. The Mitigation Fee Act (also known as AB 1600, as codified in the California Government Code, beginning with Section 66000) imposes certain administrative requirements on local agencies. Pursuant to Government Code Section 66005(a) of the Act, a Town is authorized to recover the full cost of providing services that are funded by the mitigation fees. This includes recovery of administrative fees incurred in compliance with the Act.

The Mitigation Fee Act imposes certain procedural requirements, and the Town will incur project management costs as a result of implementing the projects funded by the mitigation fees, for which the administrative fee is intended to provide recovery, as follows:

1. Analysis required to enact or modify a fee

In any action establishing, increasing, or imposing a fee as a condition of approval of a development project, the Town shall cause a report to be prepared and make findings as follows:

- (1) Identify the purpose of the fee.
- (2) Identify the use to which the fee is to be put.
- (3) Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.
- (4) Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.
- (5) Determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

2. Notice and conduct a public hearing

Prior to adopting an ordinance, resolution, or other legislative enactment adopting a new fee or approving an increase in an existing fee, the Town shall hold a public hearing, at which time oral or written presentations can be made, as part of a regularly scheduled meeting. Notice of the time and place of the meeting, including a general explanation of the matter to be considered, shall be published.

3. Accounting requirements

The Town shall deposit the fees in a separate capital facilities account or fund in a manner to avoid any commingling of the fees with other revenues and funds of the Town and expend those fees solely for the purpose for which the fee is collected. Any interest income earned by money

in the capital facilities account or fund shall also be deposited in that account or fund and shall be expended only for the purpose for which the fee was originally collected.

4. Annual reporting requirements; public hearing

For each separate account or fund established, the Town shall, within 180 days after the last day of each fiscal year, make available to the public the following information for the fiscal year:

- (1) A brief description of the type of fee in the account or fund.
- (2) The amount of the fee.
- (3) The beginning and ending balance of the account or fund.
- (4) The amount of the fees collected and the interest earned.
- (5) An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.
- (6) An identification of an approximate date by which the construction of the public improvement will commence if it is determined that sufficient funds have been collected to complete financing on an incomplete public improvement.
- (7) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.
- (8) The amount of refunds made.

The Town shall review this information at the next regularly scheduled public meeting not less than 15 days after this information is made available to the public. Notice of the time and place of the meeting, including the address where this information may be reviewed, shall be mailed, at least 15 days prior to the meeting, to any interested party who files a written request with the local agency for mailed notice of the meeting.

5. Five year reporting requirements; public hearing

For the fifth fiscal year following the first receipt of fees, and every five years thereafter, the Town shall make all of the following findings with respect to that portion of the account or fund remaining unexpended, whether committed or uncommitted:

- (1) Identify the purpose to which the fee is to be put.
- (2) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.
- (3) Identify all sources and amounts of funding anticipated to complete financing for incomplete improvements.
- (4) Designate the approximate dates on which the funding referred to in paragraph (3) is expected to be deposited into the appropriate account or fund.

For purposes of these findings, the Town shall hold a public hearing, at which oral or written presentations can be made, as part of a regularly scheduled meeting. Notice of the time and place of the meeting, including a general explanation of the matter to be considered, shall be published.

The Quimby Act:

In addition to the analysis, notice, hearing, accounting and reporting requirements of the Mitigation Fee Act, the Quimby Act (as codified in the California Government Code, beginning with Section 66477) adds additional requirements that must be addressed by the agency.

The agency must adopt an ordinance meeting the following requirements:

1. The ordinance must be in effect for 30 days prior to the filing of a tentative map for a subdivision subject to the dedication or in-lieu fee requirement.
2. The ordinance must include definite standards for determining the proportion of a subdivision to be dedicated and the amount of the in-lieu fee. The amount of land to be dedicated and the fee must be based upon the density of each residential type.
3. The park area per 1,000 population must be derived from the ratio that the existing amount of park area bears to the existing population.

The agency must assure that the following conditions are met:

1. The dedicated land, and the fees, may only be used for developing new parks or rehabilitating existing parks.
2. The agency must have an adopted general plan or specific plan containing policies and standards, and the park and recreational facilities must be in accordance with definite principles and standards.
3. The amount and location of land to be dedicated and the fees to be paid must bear a reasonable relationship to the use of the park and recreational facilities for the future inhabitants of the subdivision.
4. A schedule must be developed specifying how, when, and where the agency will use the land or fees to develop park and recreational facilities
5. Fees collected must be committed within five years of payment, or the issuance of one-half of the lots created by the subdivision, whichever occurs later.
6. If the fees are not committed within the applicable time frames, they must be distributed to the then owners of record.

Capital Improvement Planning:

The Town may adopt a capital improvement plan, which shall indicate the approximate location, size, time of availability, and estimates of cost for all facilities or improvements to be financed with the fees.

The capital improvement plan shall be adopted by, and shall be annually updated by, a resolution of the governing body of the local agency adopted at a noticed public hearing. Notice of the time and place of the meeting, including a general explanation of the matter to be considered, shall be published. In addition, mailed notice shall be given to any city, town or county which may be significantly affected by the capital improvement plan.

Project Management:

The Town will incur costs associated with implementing projects funded by the proceeds of the mitigation fees. These costs may include staff costs for project management or retention of contractors to manage the implementation of projects.

Periodic review of the Administrative Fee:

The Town shall conduct a periodic review of the costs associated with administering the mitigation fee program and the requirements under the Quimby Act. The Town may revise the fee periodically to reflect the full cost of administering the program.

APPENDIX B

Benchmark Study

Appendix B is a benchmark study of mitigation fees charged by other agencies. Appendix B includes similar fees charged by the cities of Roseville, Rocklin, Lincoln and Auburn, and Placer County. It does not include special district fees, such as school district and fire district fees, or typical "connection" fees for sewer, water and other utilities.

The total proposed fees for the Town of Loomis in Appendix B differ from the total in Table ES-2 in the Executive Summary, because the Dry Creek Flood Control and the Placer County Capital Facilities fees are included in Appendix B.

Fee Program	Loomis		Rocklin		Roseville		Lincoln		Auburn		Placer County	
	Current	Proposed	Low	High	Low	High	Low	High	Low	High	Low	High
Road circulation/major roads	\$ 1,773	\$ 2,230	\$ 2,381	\$ 2,381	\$ 743	\$ 4,304	\$ 3,458	\$ 3,458	\$ 26	\$ 3,905	\$ 1,620	\$ 4,053
Horseshoe Bar/I-80	821	1,283										
Sierra College Boulevard		691										
King/Taylor Circulation Fee	145											
SPRTA												
Highway 65 JPA			1,179	1,179	101	898	1,160	1,160			411	2,231
Baseline/Fiddymont/Walerga			179	1,019	78	854					1,024	1,024
Total Transportation	2,739	4,204	3,739	4,579	944	6,383	4,618	4,618	26	3,905	4,079	8,332
Drainage	316	519			396	819	779	960	1,230	1,230		
Dry Creek Flood Control	311	311	274	311	199	684					195	673
Total Drainage	627	830	274	311	595	1,503	779	960	1,230	1,230	195	673
Community/Public Facility Fee	1,316	2,256			2,550	2,550	5,998	5,998	2,750	2,750		
PC Capital Facility Fee	2,036	2,036	2,036	2,036	1,594	1,594	1,594	1,594	2,036	2,036	3,091	3,091
Supplemental Fee							350	350				
Construction tax			2,930	2,930								
Total Community/Public Facilities	3,352	4,292	4,965	4,966	4,144	4,144	7,942	7,942	4,786	4,786	3,091	3,091
Parks and Recreation	1,210											
Quimby/Park Acquisition		1,575	1,985	1,985	1,674	1,674	533	533	1,073	1,073	3,350	3,350
Passive Park/Open Space Acquisition		958										
Park Facility Improvement		2,730	711	711								
Neighborhood Parks					720	2,673						
Parks and Recreation Tax							261	261				
Total Parks	1,210	5,263	2,696	2,696	2,394	4,347	794	794	1,073	1,073	3,350	3,350
Low Income Density Bonus Fee	750	750										
Total Fees	\$ 8,677	\$ 15,339	\$ 11,674	\$ 12,552	\$ 8,077	\$ 16,377	\$ 14,134	\$ 14,314	\$ 7,115	\$ 10,994	\$ 10,715	\$ 15,446

Notes:

Fees charged per acre assume 1 lot per acre.
 Loomis Master Plan Fee excluded (not a citywide fee).
 Fees charged per square foot assume a 3,000 SF house
 @ \$93/sf.